

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, APRIL 14, 1927

FOUR PHILADELPHIA INSURERS

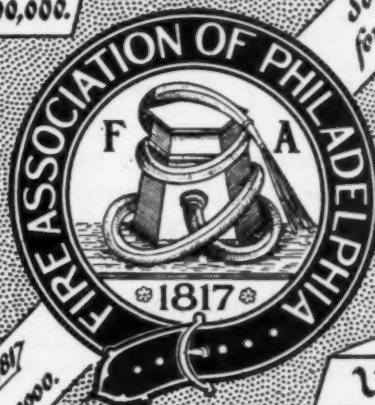
The Reliance

Insurance Company

Capital \$1,000,000.

HOME OFFICE
4th & Walnut Street
Philadelphia.

Founded 1817
Capital \$3,000,000.



Sound Insurance
for over a Century.

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Atlanta, Chicago,
Dallas, San Francisco

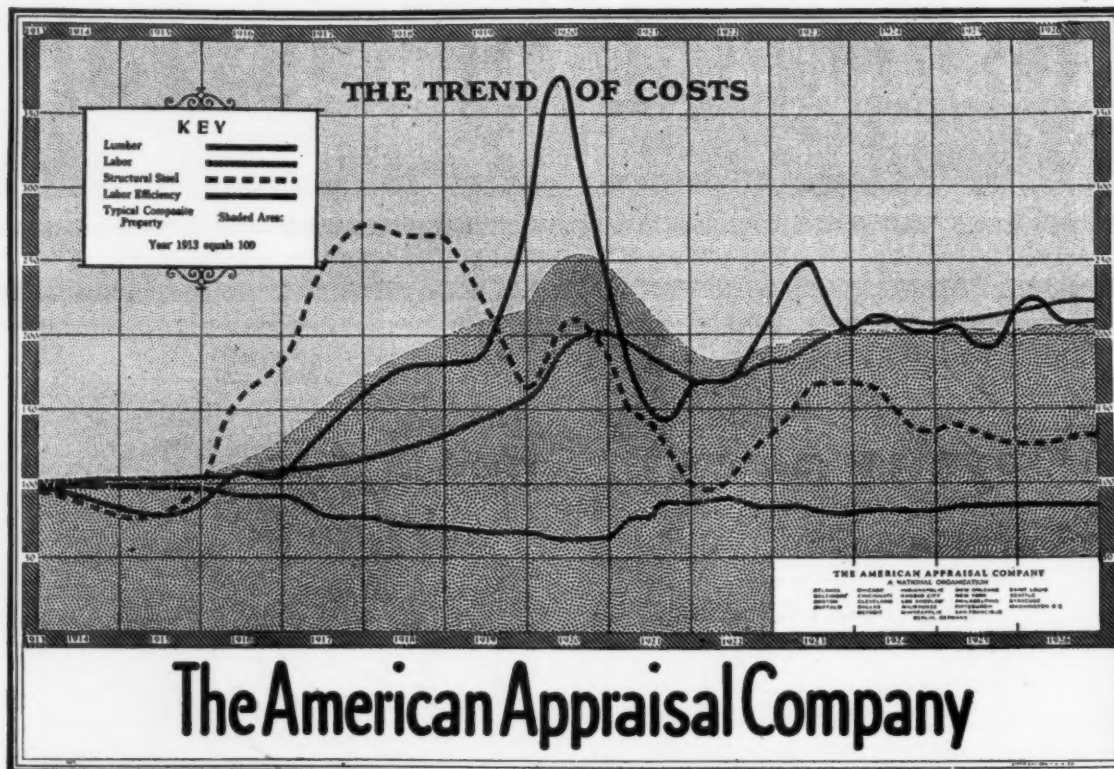
Victory

Insurance Company

Capital \$1,000,000.

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Capital \$1,000,000.

ALL CLASSES OF FIRE AND CASUALTY INSURANCE



The American Appraisal Company

A New "Trend of Property Costs" Chart for You

In answer to the numerous requests made to us by insurance agents and others, we are now distributing a new chart showing the fluctuations in the cost of various building elements corrected to January 1st, 1927.

This chart (reproduced in black and white above) is printed in six colors on cardboard with a hanger attached for display in windows or upon the walls of offices where your clients will see it.

It shows at a glance how property values have changed during the past decade; it provides convincing evidence of the necessity for adjusting insurance in accordance with present-day values.

If you have not already received one of these charts, we shall be glad to send one to you, without obligation. Kindly ask for Chart No. 985.

The American Appraisal Company

MILWAUKEE

PUBLIC UTILITIES • INDUSTRIALS • REAL ESTATE PROPERTIES • NATURAL RESOURCES

A NATIONAL ORGANIZATION



844 RUSH STREET, CHICAGO, ILLINOIS

Welcome

A CORDIAL invitation is extended to all agents attending the Mid-Year Meeting of the National Association of Insurance Agents to visit the Western Department Offices of the "America Fore" Group of Fire Insurance Companies. The "America Fore" Building is one of the outstanding office buildings in the new North-

side Business District of Chicago. Its location is bounded by Pearson, Rush, Chestnut and Cass Streets, and is approximately one mile north of Chicago's "Loop" District. Eight minutes in a taxi will bring you from Convention Headquarters to our door. The welcome sign is out. We hope you will come and see us.

AMERICAN EAGLE FIDELITY-PHENIX
The CONTINENTAL FIRST AMERICAN
 FIRE INSURANCE COMPANIES
Eighty Maiden Lane, New York, N.Y.

ERNEST STURM, Chairman of the Boards

PAUL L. HAID, President

NEW YORK

MONTREAL

CHICAGO

SAN FRANCISCO

THE "AMERICA FORE" GROUP OF FIRE INSURANCE COMPANIES

WHAT QUALITIES SHOULD A FIRE INSURANCE COMPANY HAVE?



by J. G. LEIGH

L. B. LEIGH & COMPANY

INSURANCE

LITTLE ROCK, ARK.

I LIKE an insurance company whose officers plan its underwriting policy to fit the business requirements of each section of the country in which it does business, and then follow it out consistently in good years and bad, recognizing the fact that insurance is a business of averages in which the element of time is an important factor and that every year can not be good, nor will every year be bad.

Such a company is the American Central, which makes it a valuable acquisition to any agency, because the agents always know what they can depend upon.

AMERICAN CENTRAL INSURANCE CO.

ST. LOUIS, MO.

B. G. CHAPMAN, JR., President

D. E. MONROE, Vice President

CONRAD ROEDER, ROY W. SMITH, HENRY I. RIEMAN, Assistant Secretaries

1853

"WE STAND UPON THE MERIT OF OUR YEARS."

1927

The National Underwriter

Thirty-first Year, No. 14

CHICAGO, CINCINNATI AND NEW YORK, THURSDAY, APRIL 14, 1927

\$4.00 Per Year, 20 Cents a Copy

BEHA RULING CAUSES SOME DISSATISFACTION

Fire and Marine Men Contend Commissioner Has Been Too Indefinite

SPECIFIC RULINGS WANTED

Encroachment of One Class of Business on Other's Field Said Often to Be Unintentional

NEW YORK, April 13.—Disappointment is expressed by both fire and marine underwriters over the lack of definitiveness of Superintendent Beha's ruling regarding inland marine covers. Managers feel that while Mr. Beha warns both fire and marine offices against issuing policies in violation of the statute relating to each division of the business, he fails to point out specifically wherein either encroaches upon the field of the other.

There is no question but that a number of fire companies have been writing through their marine departments types of business that should be covered as strictly fire risks, and that the marine offices, or some of them, have been guilty of the same offense. This practice of granting inland marine transportation forms and embracing therein classes of risks obviously never intended to secure such protection was first heard of on the Pacific coast a number of years ago, and was responsible for the loss to the strictly fire writing offices of quantities of tobacco, sugar and other warehouse business. Appreciating the advantage this form of protection afforded for reducing rates and liberalizing forms, brokers in the central west and later in the east were quick to adopt the practice, with the result that the wool and leather storage business, notably at Boston, has been practically absorbed by the marine companies and several fire offices with marine departments.

Violation Is Obvious

Probably the most flagrant case of an inland marine cover written in violation and the one doubtless that brought the action by the superintendent, was that of a prominent candy concern of this city, with branches in most of the large centers throughout the country. By no stretch of reasoning could this be termed a transportation risk, yet a policy of that character was issued by a leading company, indemnifying against loss not merely of goods in transportation, but also those stored in any of the branch establishments, and in addition, for any fire damage that might result to a building or its furnishings. Through clever manipulation the line was written at a rate said to be 10 cents.

Inland marine transportation is a legitimate type of insurance and meets a positive need. Primarily it is intended to afford protection for goods in transit between specified points. Where the goods are in storage for any length of time,

REDUCED FIRE LOSS FOR FIRST QUARTER ATTRIBUTED TO BETTER UNDERWRITING

NEW YORK, April 13.—Speculating as to the primary causes responsible for the reduced fire losses of the United States and Canada for the first quarter of the present year, which according to the tabulation of the "Journal of Commerce" are less by nearly \$24,000,000 than those reported in the same period of 1926, company executives feel that the outstanding influence was the greater care exercised by all underwriters in their acceptance of business. The swing away from the practice obtaining in so many offices of seeking premium income with little respect to the risk hazard began over a year ago, and has become more and more pronounced month after month.

Improvement Down the Line

The action at headquarters has been reflected through special and local agency ranks and the latter are now underwriting business at its source with an intelligence not hitherto displayed, fully realizing that their companies are in earnest in declaring that if an agency does not show a profit over a reasonable period, a change in representation will result. As the agency of an established company is a valuable franchise, local men will not easily jeopardize its representation; hence the greater care now shown in risk inspection, both with respect to direct business and that coming through brokerage channels.

Watch Moral Hazard Closely

A second factor making for improvement is the attention devoted by the large percentage of the companies to the moral hazard of a risk, the importance of which is becoming appreciated in ever increasing degree. It was a saying in fire underwriting circles that the moral hazard of a risk constituted 50 percent of the total; not a few managers now declare that such percentage is too low. Ratings from the general commercial and trade reporting bureaus are freely used now, many of the latter exchanging information of considerable value with the insurance men. Yet another influence working toward fire reduction is the fire prevention propaganda conducted under the auspices of the National Board, the Chamber of Commerce of the

awaiting either transshipment or sale, specific fire insurance supposedly must be carried, and always has been until the elasticity of the marine cover was disclosed, when it was made to extend its protection to stocks in warehouses.

Attempt Made at Buffalo

Agents at Buffalo became greatly exercised recently when it developed that overtures had been made to insure the vast quantities of grain stored in elevators in that city under marine floaters, business of this character constituting one of the main sources of revenue to the Buffalo fire men.

While the statements made above refer to obvious violations of the intent of the statutes applying to marine and to fire companies, numerous cases arise in which it is exceedingly difficult to define the point at which the legitimate function of each class of institutions be-

United States and local business organizations, all of which appreciate the drain on the country through needless burnings and are exerting their utmost to educate property owners to their reduction.

Follows Business Conditions

The history of underwriting evidences very forcefully that the fire loss follows closely general business conditions, rising or falling with commercial and industrial prosperity or the reverse. While there has been unquestionably a sloughing off in particular industries and in different sections of the country, inducing price reductions in a number of lines in order to stimulate sales, the nation as a whole is in a satisfactory condition, with no immediate prospect of a sharp decline. Those who have followed the stock market are fearful of a reaction from the steady advance in the price of railway and many of the industrial securities, holding that these have gone entirely too far, and that a decline may be looked for. How soon this will come, and in what degree, no one cares to predict, but if the decline comes gradually the effect will be distinctly beneficial.

Free From Conflagrations

The open winter too has unquestionably been a material influence in reducing the fire record of the first three months of the years. Notably has this been true with respect to dwelling losses, which always increase in number during severe weather.

The period mentioned has been singularly free of conflagration fires, the largest reported since Jan. 1 being that of Pier K of the Pennsylvania Railways property in Jersey City some weeks ago. While this loss was severe so far as value destroyed was concerned, the insurance companies were not affected to any material extent, the bulk of the liability being carried by the railway through its sinking fund, and under an excess treaty.

The figures for the three months are as follows:

	1925	1926	1927
Jan. . .	\$41,210,400	\$41,118,750	\$37,910,600
Feb. . .	32,472,000	30,963,750	26,285,000
Mar. . .	33,346,500	42,854,600	26,807,600
Total 3 mos.	\$107,028,900	\$114,937,100	\$91,003,200

gins and ends, and it was hoped that Mr. Beha in passing on the general subject of inland marine floaters, which he had under review for a considerable time, would have rendered a decision that would serve as a future guide to the fraternity and prevent the encroachment of either class of companies upon the legitimate risks of the other.

Eastern Underwriters Report

Seeking a solution of the difficult problem, the Eastern Underwriters Association appointed a special investigation committee some time ago, naming as its chairman Benjamin Rush, president of the North America, a man well versed in the procedure of marine and fire underwriting. This committee submitted its report, together with suggested forms of policies, the issuance of which it was felt would remedy the condition com-

(CONTINUED ON PAGE 43)

UNION TRANSACTS ITS BUSINESS IN ONE DAY

Important Questions Are Passed Upon—Forced Separation Not Considered Opportune

INLAND MARINE COVER UP

Audit Bureaus, Losses and Impounded Premiums Receive Attention—Spotlight on Blue Goose

By C. M. CARTWRIGHT

WASHINGTON, D. C., April 13.—At the meeting of the Western Union held here this week, presided over most ably by its chief executive, C. A. Ludlum of the Home, the governing committee recommended against adopting mandatory separation at this time and its action was affirmed.

At the last meeting a resolution was presented providing that the committee at this meeting report on this subject outlining a plan of procedure. The governing committee reported that it is the sense of the members that legislation of the type proposed six months ago is still inopportune. It is, however, the sentiment of the committee that as soon as action of this character can be taken it should be done.

Called Logical Solution

The committee feels it is the growing sentiment throughout the country that only companies paying the same scale of commissions can properly be domiciled in the same office and that complete separation is the only logical solution of the problem.

Finished in One Day

The Union made sound progress, as it transacted all its business Tuesday and adjourned to gather in annual session at Briar Cliff, N. Y., Sept. 20. The members also provided for the appointment of a loss adjustment committee to devise a plan for reforms in that part of the business. W. B. Flickinger of the North America presided at the subscribers' actuarial committee meeting. C. R. Street of the Great American was reelected a member of the committee, the others being A. G. Dugan, Hartford Fire; J. C. Harding, Springfield F. & M.; Elwin W. Law, Royal.

It was decided not to extend the policy to cover smudge and smoke losses from oil burners even for an extra premium. R. P. Barbour, United States attorney for the Northern Assurance, will be elected a joint member with H. D. Lewis, assistant manager.

Handling of Line Elevators

The committee on order of business in passing on premium adjustment on line elevators reported:

"We recommend that this subject be referred to the committee grain risks premium adjustment coverage with the request that the committee prepare and

(CONTINUED ON PAGE 19)

ADJUSTMENT BUREAU OPERATION SKETCHED

FIELD MEN HEAR MANAGER

More Time Given Handling of Losses
in Cook County—Satisfaction
Results from System

Haste has been taken out of loss adjustment work by the Cook County Loss Adjustment Bureau, and adjustments therefore are more satisfactory to all concerned, said Clark J. Munn, manager of the bureau, in an address at the bi-monthly meeting of the Cook County Field Club in Chicago, Monday Mr. Munn, who was the only speaker on the program, briefly sketched the organization of the bureau and related with satisfaction that much of the opposition to the bureau that obtained at its inception had disappeared and that former opponents now are co-operating.

More Time for Adjustments

In 1926, the speaker said, an average of 21.97 days was taken by the bureau for the adjustment of a loss. During the first quarter of 1927 the average time consumed was 27 days. The adjuster goes out and sees the loss and the insured, and does not, as some formerly did, make snap adjustments by telephone. The bureau handled approximately 25,000 losses in 1926, completing work on about 22,000. Time and care were given each loss, and results in satisfaction to all concerned have, the bureau manager declared, justified the procedure.

The bureau is seen to be most efficient, Mr. Munn said in developing his story of its operation, when concerned with losses in which a number of companies is involved. Formerly, hasty action by one of a number of companies involved wrecked any plans the others had to make a thorough investigation before settling. He explained that when the bureau handles an adjustment this costly haste is eliminated and only satisfaction results.

Elimination of Fraud

Elimination of fraud, Mr. Munn said, is not the least important function of the bureau. He cited the case of a small loss on household furniture in which the insured tried to collect twice. By referring to the bureau's elaborate reference file the manager found enough information to form the belief that the loss already had been paid. The adjuster who had handled the case originally was sent out the second time. He confirmed the office belief that the loss had been paid and fraud was intended, and the case was forgotten. The system as it applied to this case is applicable to more involved cases.

Answering those critics of the bureau who hold that eventually all adjustment work will be centered in two or three bureaus, Mr. Munn said it is his belief there always will be a field for the competent independent adjuster, and that monopoly of adjustment work is not one of the bureau's aims.

Stickney Will Speak

Joseph W. Stickney of Indianapolis, president of the Indiana Association of Insurance Agents, will speak before the mid-year conference of the National Association of Insurance Agents in Chicago next week on "The Agent's Opportunity To Forestall Adverse Legislation by Selling the Public." Mr. Stickney has taken a very active part in launching the special automobile insurance drive going on in Indiana this month.

To Meet in Chicago

The annual meeting of the National Fire Protection Association will be held at the Congress Hotel, Chicago, May 9-12.

GORHAM DISAPPROVES OF TOO SEVERE STANDARDS

MANY GOOD PART TIME MEN

Western Manager of the American Addresses the Illinois Field Club
on Agency Qualifications

At the banquet given by the Illinois Field Club at Springfield last week, Manager Charles N. Gorham of the American in his talk deplored the stimulation of class feeling on part of local agents, and particularly their organizations. Mr. Gorham said that in his opinion the companies are not suspicious of



CHARLES N. GORHAM
Western Manager American

local agents. They desire to walk along with them to the best advantage of all.

"Companies resent the insinuation that present-day agents are incompetent and untrustworthy," Mr. Gorham said. "The companies have selected their agents, are responsible for them and their acts, desire to cooperate with them, and deem it poor business policy if not bad taste for anyone in the business to cast opprobrium on the character and ability of agents as a class. Nothing could be more hurtful to the business and nothing will so completely obstruct complete cooperation between agents and companies than the tendency in a certain small group to stimulate class consciousness between agents and companies."

Mr. Gorham is not in favor of strict

ILLINOIS FIELD CLUB MAY MOVE TO PEORIA

LOCATION MORE CONVENIENT

Committee Is Named to Confer With
Western Insurance Bureau on
the Subject

The office of the Illinois Field Club consisting of Western Insurance Bureau field men may be moved from Chicago to Peoria. The matter came up at the meeting of the Field Club at Springfield last week. There has been considerable agitation in favor of this, inasmuch as but few Bureau field men reside in Chicago. A location in the central part of the state would be much more convenient. A number of Bureau field men make their headquarters in Peoria. It is found that when committees have to take up anything with the Field Club office, it is necessary to make a special trip to Chicago, which may require but two or three hours' work. The day is then killed for anything else, because but few have any special work to call them to Chicago. It is regarded as superfluous expense. A great majority of the members therefore desire Peoria as headquarters. In case the office is moved it will be necessary for Miss Florence Cain, the assistant secretary, to go to Peoria. A special committee has been appointed to take the matter up with the Western Insurance Bureau. It is thought that if the move is made it should be done at once.

agency qualification laws, which may debar from soliciting insurance and representing companies, men who later on would develop into most excellent material. He said that almost all agents had to go through the training stage. He recalled the fact that many of the most successful insurance men were formerly part time agents.

Gives Doyle as Example

He said C. J. Doyle of Springfield, Ill., now associate general counsel of the National Board, was formerly local agent at Greenfield, Ill. Mr. Doyle conducted a local agency there. In the entire time that he had the local agency, he did not have a loss. Yet Mr. Gorham declared that if Mr. Doyle had been subjected to an intelligence test so far as insurance was concerned he probably could not have passed it at that time. Nevertheless, he served his policyholders excellently. There was nothing very complicated to call for unusual experience or intricate knowledge. Mr. Gor-

(CONTINUED ON PAGE 44)

INTERESTING PROGRAM IN STORE FOR COMMISSIONERS

ARRANGE SOCIAL FEATURES

Spring Meeting to Be Held in Richmond, Va., May 2-5, Will Include Many Attractions

RICHMOND, VA., April 13.—The spring meeting of the National Convention of Insurance Commissioners, scheduled to be held in Richmond, Va., May 2-5, will be marked by an unusually attractive social program. The principal entertainment feature will be a boat trip down the James river to Jamestown, Wednesday. There will be viewed the site of the first English settlement in America. The party will have luncheon at Jamestown, returning to Richmond in the evening. On the return trip, dinner will be served aboard the steamer, followed by dancing. The entire day will be given over to this trip, no business sessions being scheduled for that day.

Visit Historic Sites

Monday evening a get-together affair will be held at the Jefferson hotel, headquarters of the convention. Buffet dinner will be served, followed by dancing and music. Tuesday afternoon, following the business session of that day, the visitors will be taken on an automobile ride around the city to see the various points of interest, historic and otherwise. Thursday evening there will be a dinner dance at the Country Club of Virginia. Those remaining over in the city Friday will be taken on a motor trip to Yorktown and Williamsburg, two of the most interesting places in Virginia in point of historic interest. It was at Yorktown that Cornwallis surrendered, bringing to a close the American revolution. At Williamsburg is located the College of William and Mary, the second oldest institution of learning in the United States. This old college town was once the capital of Virginia.

Commissioner Button, who is secretary of the national convention of insurance commissioners, announces that no set business program will be arranged. He wrote all his fellow commissioners last week asking that they suggest any topics that they might care to have discussed.

COMPANIES DODGING THE BIG COAL PILES

Local agents in the bituminous coal fields where the miners are striking are encountering difficulty in getting sufficient insurance on some of the huge coal piles outside the mines. The operators ran at full blast the last few months in anticipation of the strike. As a consequence, the coal is piled in large quantities outside. Insurance companies fear spontaneous combustion and hence dodge the business if possible. Those that are writing it are only taking small lines.

St. Paul F. & M. Roundup

Field men of the St. Paul Fire & Marine from Ohio, Kentucky, Tennessee, Indiana, Illinois and Michigan meet for their annual roundup in St. Paul the week of April 25.

Nebraska Bills Killed

LINCOLN, NEB., April 12.—By the adoption of a motion indefinitely postponing all house bills in the hands of standing committees, the house killed two insurance measures. One of these, H. R. 353, provided for the filing with the state insurance department by all fire companies of the rates now in effect on all risks in the state, and giving the bureau the right of revision. It also provided a method of challenging these rates and an appeal to the court. The other was H. R. 345, relating to reciprocal insurance. It provided that all reciprocals should be amenable to all of the general insurance laws of the state.

CONDENSED NEWS OF THE WEEK

Western Union held its semi-annual meeting at Washington, D. C., this week. **Page 3**

Fire losses show big decrease for first three months of year. **Page 3**

President Clarence A. Ludlum of the Western Union in his address stated that underwriting departments should be placed on their own merit and prove profitable. **Page 5**

In an address before the Illinois Field Club, Manager C. N. Gorham of the American deplored stringent qualification laws. **Page 4**

Program is announced for the annual meeting of the Chamber of Commerce of the United States. **Page 5**

Illinois Field Club may move its headquarters from Chicago to Peoria. **Page 4**

Operations of Cook County Adjustment Bureau told by Manager Munn in address to field club. **Page 4**

New Indiana rate schedule is approved by commissioner. **Page 28**

Some dissatisfaction is expressed with Superintendent Beha's ruling on writing of floater policies. **Page 3**

Interesting program arranged for annual meeting of Insurance Commissioners Convention. **Page 4**

Surety companies threatened with refusal of licenses in Iowa get restraining order from federal court. **Page 47**

Surety companies lose suit for preferential treatment of state deposits in defunct Iowa banks. **Page 48**

Surety companies anticipate a big demand for highway construction bonds this year. **Page 49**

Collection of Associated Employers assessment will now be pushed following unanimous affirmation of Judge Wilkerson's decree. **Page 47**

Frank J. O'Neill is elected president of Royal Indemnity and Eagle Indemnity. **Page 47**

Total business of casualty companies in 1926 shown by table. **Page 56**

Wisconsin casualty table. **Page 57**

Iowa casualty table. **Page 58**

CHAMBER OF COMMERCE ANNOUNCES PROGRAM

Schedule of Events and Speakers
for the Annual Meeting
Next Month

HERBERT HOOVER SPEAKS

Insurance Division Provides for All
Classes of the Business to Have
Prominent Part

WASHINGTON, D. C., April 13.—The Chamber of Commerce of the United States has announced the schedule of events and speakers for its annual meeting to be held here May 2-5. The pivot on which this meeting will turn will be a discussion of the important economic changes that have taken place in the business life of the nation during the last few years. The major topic will be "The New Business Era." President Coolidge will speak before a joint meeting of the Chamber of Commerce and the Pan-American Commercial Conference. Among the speakers at the Chamber of Commerce meeting will be Secretary of Commerce Herbert Hoover, who will speak at the annual banquet; John W. O'Leary of Chicago, president of the Chamber of Commerce; Silas H. Strawn, well-known attorney of Chicago; Victor Cutler, president United Fruit Company of Boston; R. E. M. Cowie, president American Railway Express Company; H. A. Smith, president National Fire of Hartford; Hugh R. Pomroy, secretary regional planning commission at Los Angeles; Harvey W. Corbett, New York City, architect; Vice-President William Bro Smith of the Travelers, for the casualty group, just added to the program.

Fiske Keynote Speaker

Haley Fiske, president of the Metropolitan Life, has been honored by the United States Chamber of Commerce by being asked to deliver the keynote address of the annual convention to be held here the week of May 2. Each year some outstanding man of affairs representing the great businesses of the country is invited to amplify the central theme of the convention, which this year is the "New Era of Business."

Mr. Fiske will dwell especially on the responsibilities of modern business. Representing as he does one of the mammoth life companies, whose plans of human service are comprehensive and liberal, he will sound a clear note. Mr. Fiske's talk will follow that of the annual address of President John W. O'Leary of the United States Chamber at the initial general meeting.

President O'Leary Tenders Invitation

The invitation to Mr. Fiske was tendered direct to him by President O'Leary and seconded by William BroSmith, vice-president of the Travelers, who spoke for the insurance division of the National Chamber. President Harry A. Smith of the National Fire of Hartford, who is a candidate to succeed himself representing insurance on the directorate of the National Chamber, seemingly has no opposition. He has been of exceptional service and has been a constructive factor in the work here. Mr. Smith will preside at the insurance session.

Manager James L. Madden of the insurance department of the United States Chamber was in New York Monday in conference with Haley Fiske regarding the keynote address. J. Gilbert Leigh of Little Rock, a well known insurance man who has been a director of the

BANK AGENCY QUESTION BEFORE VIRGINIA AGENTS

SPECIFIC VIOLATIONS CITED

Relation of Agents Representing Offending Companies to Local Boards
Held Local Matter

RICHMOND, VA., April 13.—Complaints regarding bank agencies and any other grievances that might be brought to its attention are to be considered at a meeting of the conference committee of the Virginia Association of Insurance Agents in Richmond, Saturday. The meeting was called by Charles I. Lunsford of Roanoke, chairman. Advance information was that several bank agency cases had been brought to the attention of the committee and that they were to be threshed out. If found to be in violation of the rule placing such agencies under the ban, it would behoove the committee to take the matter up with companies making the appointments and request that the agencies be discontinued.

Specific Violations Considered

Cases said to involve what was believed to be specific instances of violation of the bank agency rule were discussed at the recent meeting of the advisory council of the state association in Richmond. At this meeting was also discussed the question as to what extent the adoption of a resolution by the executive committee of the association reaffirming the Milwaukee resolution and putting the Girard Fire & Marine outside the fold because of bank agency appointments would make it obligatory for agents representing that company, who were board members, either to resign it or sever their board connections.

Matter for Board to Handle

The committee chairman who read the resolution before the council meeting was of the opinion that it would not be mandatory for such agents to take either step, inasmuch as the council itself took no action on the resolution. It was a matter, he thought, for the boards to handle themselves. It was explained in discussion of the question that several boards had members representing that particular company and there was no desire to force them out of the boards. In one instance, it was pointed out, the president of a board, a Girard agent, is proving himself a very valuable officer, and it was desired to retain him in the office.

National Chamber, is having strong opposition on reelection owing to other local chambers in his section backing rival candidates.

To Report on Policy Loans

The insurance department has been conducting an exhaustive study of policy loans on life policies and will have its report out soon. It will take up the subject of annuities in the near future. Mr. Madden's office has been busily engaged in combating some forms of hostile insurance bills where the National Chamber has taken a definite attitude such as compulsory automobile liability insurance, state workmen's compensation funds, and the like.

Awards in Fire Prevention

The insurance people will be interested particularly in the meeting of the national councillors on the afternoon of May 2, when the presentation of awards to winners of the international chamber fire waste contest in 1926, will be made by the National Fire Waste Conference. There will be a luncheon meeting of the insurance section at the New Willard hotel, May 3. On the morning of May 5 there will be a general session of the Chamber of Commerce, at which repre-

(CONTINUED ON PAGE 18)

PUBLISH COMPREHENSIVE REVIEW OF INSURANCE

IS EDITED BY DR. HUEBNER

American Academy of Political and
Social Science Issues Special
Volume

"The changes wrought within the field of insurance during the past 10 years have been numerous and important" says Dr. S. S. Huebner, professor of insurance and commerce of the University of Pennsylvania, in his editorial foreword to the volume entitled "Modern Insurance Tendencies" which has just been published by the American Academy of Political and Social Science of Philadelphia.

In summarizing the most pronounced changes and tendencies of the past 10 years, Dr. Huebner states: "Of outstanding significance is the remarkable increase in the volume of insurance as regards each of the three major types of underwriting, namely, life, property and casualty insurance. During 1915 American life insurance companies collected in premiums nearly \$2,384,000,000, casualty companies operating in the United States \$777,000,000, and property insurance companies of all kinds operating in the state of New York nearly \$1,787,000,000, or a total of nearly five billion dollars (\$4,948,000,000).

Income of Six Billions

"If to the preceding total there be added (1) the cost of insurance protection granted by the numerous property insurance not licensed to do business in New York, the numerous municipal, state and federal insurance funds along many lines, the many mutual aid societies and fraternal orders, and the large number of self-insurance funds along fire, marine, life and compensation lines and (2) the cost of the large volume of American insurance placed directly with unauthorized foreign insurers, the conclusion would seem to be justified that the American public is now contributing annually in the neighborhood of \$6,000,000,000 for insurance protection."

"Another notable tendency" to which Dr. Huebner directs attention is "the remarkable growth and transformation of some of the newer fields of insurance. Particular mention should be made of automobile insurance, 'use and occupancy' or 'business interruption' insurance and the various forms of weather insurance."

"To an ever-increasing extent insurance service is also being directed towards the prevention of loss in the first instance. Formerly, the function of insurance was regarded primarily as 'risk bearing,' whereas today the emphasis is more and more upon 'risk prevention.'"

The volume comprises 29 articles by as many authors and is divided into four parts: (1) Life insurance, (2) property insurance, (3) casualty insurance and (4) important problems of general application. Health conservation services, life insurance trusts, beneficiary provisions, investment tendencies of life companies, fraternal insurance and specialized forms of life coverage—such as the protection of substandard risks, group life, pension plans, non-medical life and the salary savings system—are some of the subjects to which attention is devoted in the life insurance section.

Fire and accident prevention services, fire insurance rate regulation, guarantee of mortgage bonds by surety companies, modern trends in accident and health coverage, automobile insurance and recent legislation designed to make it compulsory, rate-making in workmen's compensation, multiple line coverage, tendencies in state supervision, special insurance taxation, the activities of state insurance funds and insurance instruction in American universities and colleges are other topics covered in this volume, all of which tend to broaden its appeal.

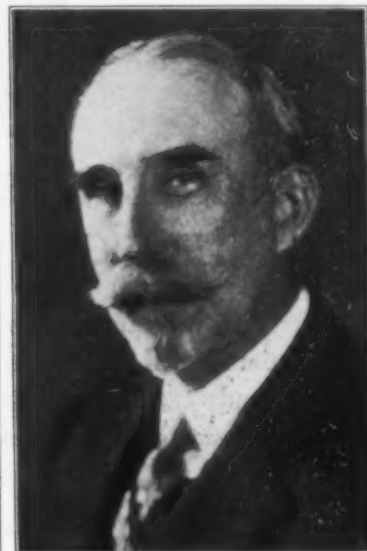
WANT UNDERWRITING ON PROFITABLE BASIS

Companies Should Not Be Forced
to Rely on Their Investment
Earnings

ADDRESS MADE TO UNION

C. A. Ludlum, President of the Organization, Comments on Some of the Problems of the Day

WASHINGTON, D. C., April 13.—Clarence A. Ludlum, vice-president of the Home of New York and president of the Western Union, in his address before the latter organization this week, said that the fire records for the latter part of last year showed that insurance is getting back to normal con-



C. A. LUDLUM
President Western Union

ditions. He believes that it is time that the insurance business be restored to a condition whereby the premium received shall cover the cost incurred. The companies have for many years accepted a situation wherein investing activity in a rising security market has provided the offset in underwriting losses. The insurance companies regard underwriting as their primary activity and essential undertaking. It is a business service, said Mr. Ludlum, which is entitled to reasonable compensation and profit from its operation. He thinks that some studious observers have been misled, so that there has been created in their minds the impression that the underwriters are content to sell their service at low cost and are only posing as insurers in order to acquire funds for investing activities. Mr. Ludlum continued, saying in part:

Has Half Century of Existence

"The Union has been continued during nearly half a century agreeably with the basic concept that our respective individual interests are fostered and conserved by a regard for matters of common concern and the recognition of a community of interest which shall prevent our separate interests from operating so as to be destructive to each other.

No Novel Development

"The year 1926 brought to us no novel development, nor any startling occurrence to make the year especially nota-

(CONTINUED ON PAGE 44)



NEIGHBORS EVERYWHERE TELL ONE ANOTHER

"How fortunate the Browns were to have that **Rental Value Insurance**. That provided ready cash to pay for temporary quarters while they were restoring their home with the **FIRE insurance indemnity**."

"And," says Mrs. Jones, "to think that they never heard of this **★KEEP-A-ROOF-OVER-YOUR-HEAD Insurance** till that alert **Mercantile Insurance Company** agent insisted upon delivering it with their **FIRE insurance policy renewal**."

"Yes," added Mrs. Wise, "and it cost far less than their **FIRE insurance**. We wouldn't be without it. now that we know there is such a safeguard."

★ Registered

© 1927



METHOD OF COMPENSATING AGENTS DISCUSSED BY GEORGE OPPENHEIMER

GEORGE OPPENHEIMER of Oppenheimer Bros., local agents at Kansas City, Mo., has given considerable thought to the most effective methods of compensating agents. While the contingent form of payment has been considered impractical, Mr. Oppenheimer has some observations on the subject that will be read with interest. He says:

"Notwithstanding that considerable thought and experimentation have been given to the matter of compensating agents for underwriting fire insurance, it is apparent that at this time no really satisfactory formula has been devised. Two admitted facts are outstanding at this time: The graded scale is unnecessary and obsolete. Contingent or reward for good underwriting is desirable. The practical application of these two fundamentals is the crux of the entire matter.

Application of Flat Commission

"The application of a flat commission is undoubtedly a step forward, but it

losses incurred,' and no other factors.

"2. All contracts for this purpose shall begin the first of January, each calendar year to be a unit. In the event of a contract starting during the calendar year, a 20 percent flat commission until Dec. 31 following is suggested.

"3. Agent is to receive and retain 15 percent flat on net monthly premiums.

Arrangement for Bonus

"4. If loss ratio is less than 70 percent (losses incurred to premiums earned), the agent will receive as a bonus, an amount equal to one-half the saving below 70 percent; maximum bonus to be 10 percent of the net premiums written.

"The foregoing means that an agent with a loss ratio of 70 percent or more gets a 15 percent flat commission, whereas an agent with a loss ratio of 50 percent or less gets a 25 percent flat commission. Between the 70 percent ratio and 50 percent ratio, the agent and company share proportionately. For example: An agent with a 60 percent loss ratio would receive a bonus of 5 percent, making his commission 20 percent flat.

Objections Answered

"Now, how does this plan answer the objections first mentioned? The agent's objection is answered by the formula 'losses and premiums only.' The company's objection is answered because the tendency is thrown entirely in the opposite direction. For instance, an agent has four companies, 'A', 'B', 'C' and 'D'. He gives them approximately \$10,000 per year each. At the end of six months he takes stock and finds each company has received about \$5,000 in premiums, but that company 'A' has been hit for \$7,000 in losses. His bonus in company 'A' at that time seems to be wiped out, but by reason of this plan he can, by feeding company 'A' \$7,000 in premiums during the next six months instead of the normal \$5,000, reduce his loss ratio to 50 percent and thereby make his entire 25 percent flat commission. The results in the other companies would not be affected and they would all make a profit.

Stamp Out Brokerage Business

"Again, the working basis of 15 percent flat commission would tend to stamp out brokerage abuses, whereas a large initial commission naturally encourages large broker commissions. Again, this plan might even take care of the non-affiliated company in a mixed agency. Say four regular companies are operating on this plan and company 'X' comes along and offers 25 percent flat, without any conditions. Mr. Agent will say, 'Give all the high grade business to companies 'A', 'B', 'C' and 'D' to protect a possible 25 percent and give the doubtful business to company 'X' because we get 25 percent anyway.'

"Company 'X' eliminates itself."

Rogers Featured in "Success"

Harry K. Rogers, better known as "Smoky," the fire clown, came into prominence the other day by having himself featured in an illustrated article in the May issue of "Success" magazine. The article featured the fact that Mr. Rogers has had unusual success in teaching children to prevent fires by making them laugh. Mr. Rogers is engineer of the fire prevention department of the Western Actuarial Bureau and works in close association with Richard E. Vernor, the manager of the department.

The Illinois Agricultural Mutual, 608 South Dearborn street, Chicago, has been licensed under the mutual act of 1915 to write automobile or other vehicle insurance.

GEORGE OPPENHEIMER

does not take care of the second point. Furthermore, there is a difference of opinion as to what is a fair flat commission.

"The use of a contingent commission, up to this time, has been objectionable to both agents and companies, but for different reasons. The agent objects because most contingent agreements prove to be a disappointment due to the fact that the result depends on many factors beyond the agent's control, i. e., re-insurance, home office expense and other matters. The company objects because in the event of a bad record for one company, the agent is tempted to throw future premiums to the company in which he still has a chance to obtain a contingent, notwithstanding that as a matter of fairness the losing company should receive favored attention to make up its loss.

Thinks Objections Are Overcome

"The writer evolved a plan that, after mature thought, appears to retain the desirable features and apparently overcomes the objections. Starting with the idea that instead of paying 20 percent flat to all agents, good and bad, it would be better to pay the agent who produces a profit for the company a 25 percent commission, and the agent who produces a loss to the company a 15 percent commission. This idea suggests the following plan:

"1. For the purpose of calculating commissions, the agent's loss ratio shall be based on 'premiums earned and

WILL HELP ANY AGENT TO Sell More Insurance

EVERY mail brings many orders from progressive agents who wish to avail themselves of the wisdom taught by *seventy-eight years of experience* of a great insurance company. Every mail also brings expressions from delighted recipients, such as the following:

"This book is, without doubt, the most complete and inspiring publication of its kind I have ever had the pleasure of studying, and I must say that after carefully digesting its contents it would be a poor agent who would not instinctively puff out his chest and go to work."—(Agent.)

"The Glens Falls rendered a distinct service to the whole fire insurance business when it put in the hands of agents, through the Glens Falls Handy Book, a volume that will go a long way toward educating any man who has a desire to learn."—(Official of a Company.)

"Have been trying for some time to get just such a book as this."—(Agent.)

"I intend to keep it as a reference book for solution of fire insurance problems."—(Insurance Editor, large city newspaper.)

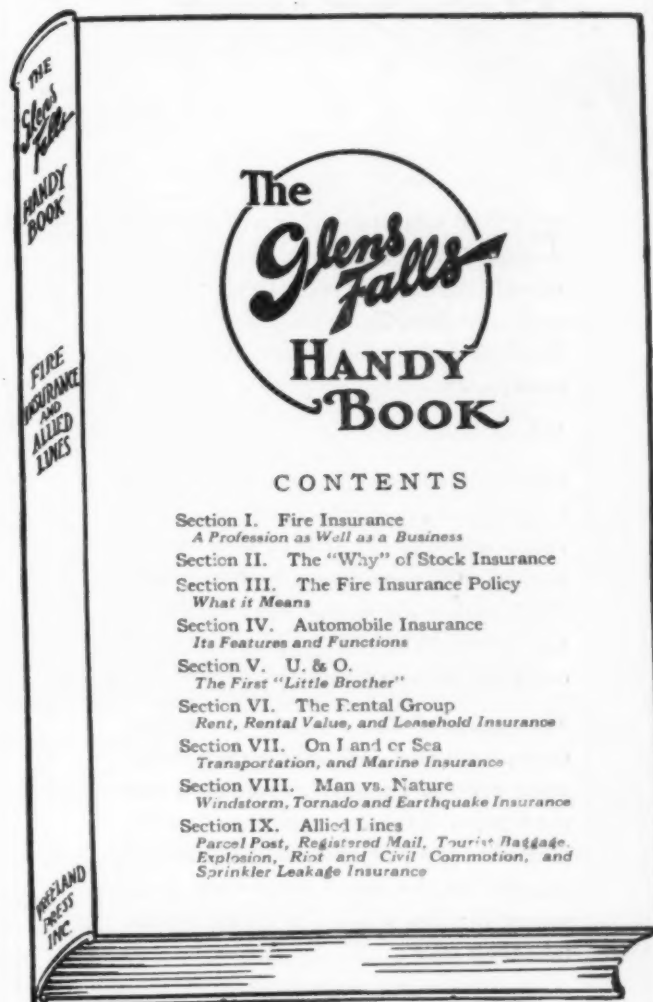
"Have benefited much by it and expect to continue its use."—(A State Agent.)

"Something that I have often desired but did not know where to obtain."—(State Fire Marshal.)

"The best written and probably the most instructive book on insurance which we have ever seen or heard of."—(Agent.)

"Full of valuable information."—(State Insurance Commissioner.)

"It is a book which should be in every public library in the country and in every high school library."—(Agent.)



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Enclosed is remittance of \$1.00. Please send "The Glens Falls Handy Book" to the undersigned.

It is agreed that if the book is not satisfactory it will be returned to you within five days after receipt and you will refund remittance.

Name.....

Please print name and address

Address.....



Whose Dollars?

EVERY windstorm that rushes out of the Spring skies carries with it destruction amounting to hundreds of thousands of dollars. Good money that literally flies before the wind. Dollars that might have been saved!

Whose dollars?

Dollars belonging to people who never really knew about windstorm insurance. People who thought of it vaguely in connection with tornadoes only. People who didn't realize the menace in any ordinary windstorm. Who didn't know the small cost of windstorm protection.

The agents of this company are telling their clients now—and selling them windstorm policies. The average man soon sees the wisdom of this coverage once it is explained to him properly. And he is forever grateful to the agent who thus saves money for him when the spring storms take their toll.

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Western Dept. CHICAGO Southern Dept. NEW ORLEANS Pacific Coast Dept. SAN FRANCISCO

"THE COMPANY WITH THE L. & L. & G. SERVICE"

SAYS RATE MAKING IS JOB FOR UNDERWRITERS

Over Refinement of Schedules Alleged for Rules That Are Not Observed

BUREAUCRATIC TENDENCY

Frank Disbelief in Scientific Rating Is Expressed by Veteran of Older Methods

NEW YORK, April 13.—As company officials study intently the operations of their business they are becoming more and more convinced that one of its fundamentals is that of rate-making, which thus far has been largely left in the hands of rating bureaus, and is sadly in need of supervision by company executives.

In THE NATIONAL UNDERWRITER of March 24 this subject was dealt with at some length. The issue of the following week carried a sharp, though intelligent and kindly criticism by H. P. Ausher, manager of Cincinnati of some of the statements contained therein. This paper now has received a communication from a veteran field man of New York, who because of his long and intimate contact with the business, is entitled to voice his opinions. In part he says:

Tends to Bureaucracy

"I heartily concur with those who say that there should be some control by practical underwriters of rating organizations, which would at times inject some common sense into a 'machine' that tends, without such control, to get into a rut, and become somewhat autocratic and bureaucratic at times. This is no reflection on the hard-working and conscientious rating managers and employees I have the honor of knowing, but when the supervision given by field men's committees (the rating manager and the field men's executive committee working in close touch and such a system creating a 'balance wheel') was eliminated, and nothing of like nature substituted, a grave mistake was made, in my opinion. Company executives, at best, cannot give the supervision necessary. In the first place they haven't the time, and in the second, haven't and can't have the knowledge of conditions of the terrain that an able and experienced field man accumulates as a matter of course. The result, today, is that the rate-making is delegated to a handful of men, some of whom have had no experience with the practical side of the business, so that 'the tail is wagging the dog.'

Rules Not Observed

"After all, the rules and rates were made for the business, and not the business for the rules, but the latter sometimes almost seems to be the attitude of rate-makers. In other words, 'if the business does not coincide with the rules, so much the worse for the business.' We have too many rules anyway, imposing restrictions for this and that, rarely lived up to, and ignored, when a fire occurs. Far better to charge a small extra rate over a whole class for hazards inherent to that class, and get paid for it, than to whittle down the rate to nothing by restrictive clauses with a reduction in rate. This theory also applies to so-called engineering improvements, carried out to get a reduction but forgotten and neglected after that.

Neglected Devices

"I am speaking from an experience as a company field man, seeing almost daily these neglected devices—just like the old fire buckets, rarely filled and

kept up. I can say that I have found fully 50 percent of standard self-closing doors out of order in my inspecting experience—not sidewalk inspections.

"Gayle T. Forbush, United States manager of the Royal Exchange, recently recommended more class rates in an article he wrote for the 'Eastern Underwriter,' which would prevent the constant whittling down process, which has gone on, and by which process the companies have gotten it 'in the neck' because the improvements made to secure a reduction rarely are kept up properly after a reduction has been granted.

Point Out Rate Reductions

"The young men, hired away in such profusion from rating organizations, just about the time they have become of some use, start out with the impression that all they have to do to stand right with their companies and agents is to point out how a rate can be reduced. They are not to blame for this, as they were hired for their knowledge of schedules, enabling them to get business thereby. Some of them get over this after a while and develop into good insurance men, especially after they have learned that a good risk with a ridiculously low rate is not good at all, from a broad point of view, and that merely getting a rate reduced is not necessarily good underwriting.

Schedules Too Complicated

"Our schedules are too complicated and are a mystery to the average layman who cannot be expected to have the time or knowledge to analyze his rate. I think this is one of the fundamental faults in our system of rating.

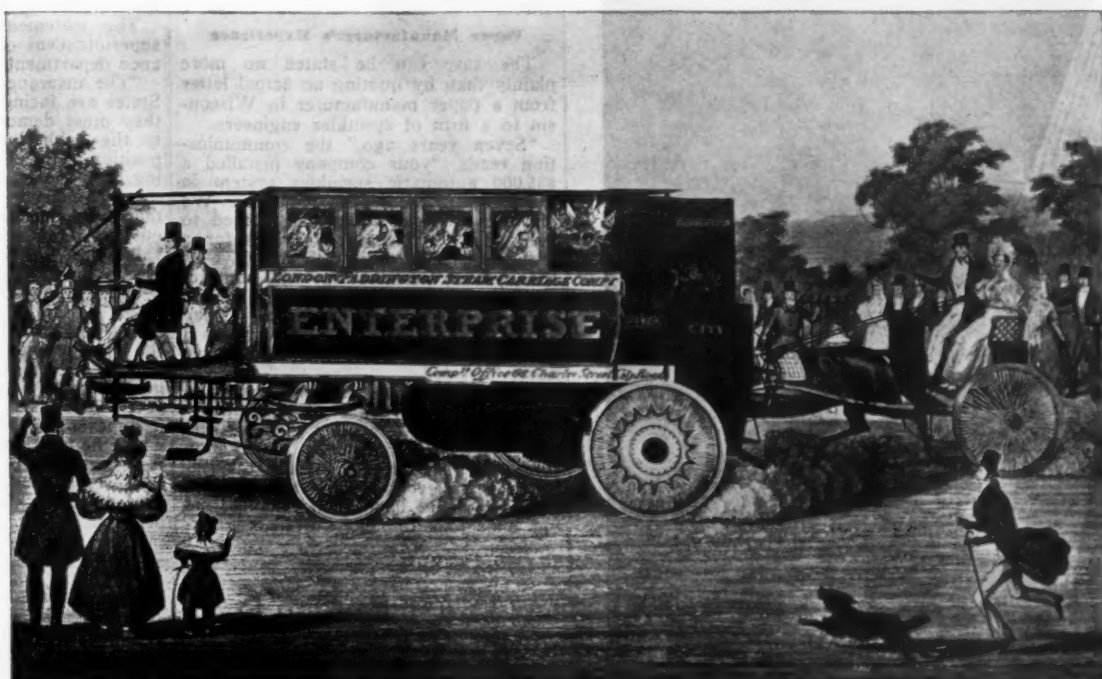
"Of course I realize that in some respects the state insurance laws covering the supervision of rating organizations do not leave the latitude desirable in applying rates, so that glaring mistakes occur through no fault of the rating managers.

"An insurance man, prominent in managerial circles, recently wrote me as follows: 'Nowadays all the vitality and nourishment seems to have been cooked out of rates by their laboratory treatment'—which I consider very true.

Fire Underwriters for Rating

"As to rate-making and the hiring of rate-makers by companies who are raiding the rating organizations in search of field men, please allow me to quote from an address on that subject to the Underwriters Association ten years ago by the then president of that organization: 'Mr. — is acting under an established system of rate-making, and should not be blamed for the faults of that system. But as to the application of that system I have always held that schedules mechanically applied by inexperienced men do not produce the same satisfactory results that would be obtained when these schedules are applied and worked out by men who have had a practical road experience, especially a loss-adjusting experience. We cannot, of course, afford to hire such men now. I predict, however, that the day will come when rating organizations will have to hire this class of men away from companies, instead of as at present, companies taking the best men away from us, but am in favor of having these machine-made rates carefully supervised before they are put into effect, either by the secretary or by the secretary and men who have had a long field experience, say either by a general committee chosen by the president from the association at large, and large enough to take charge of the work, or by rehabilitating the district committees (of special agents) in their powers to that extent. This plan is not meant to deprive the rating manager of any of his authority, but merely to aid and cooperate with him in the multiplicity of his duties, as he cannot be expected to do all things and do them well. Said committees not to have the right to override the secretary. I may say that this plan has been mentioned before this time by company officials, and as to district committees is a

(CONTINUED ON PAGE 10)



Designed by W. F. Farnham

Engraved by G. E. Hart

THE "ENTERPRISE" STEAM OMNIBUS.
 BUILT BY *Mr. Walter Hancock of Ipswich* FOR THE
 LONDON AND PADDINGTON STEAM CARRIAGE COMPANY
 Commenced Running April 22nd 1825

The Ancestor of the Automobile

TWO hundred years ago Mother Shipton wrote her prophecy about horseless carriages and derisive laughter rang over all England, today horseless carriages have crowded the horse from our thoroughfares. Early in the beginning of the nineteenth century carriages driven by steam appeared on the streets of London. It was thought they would take the place of the stage coach, but the influence of the latter in Parliament resulted in taxes which drove the steam omnibus from the streets.

It was 1879 before George B. Seldon of Rochester applied for the first patent for a gasoline motor as a driving force for a road vehicle, and the first American gasoline automobile was built in 1892 by Charles E. Duryea, who really "assembled" the ideas that had been accumulated by the French and English in this field. Today there are over twenty million motor cars, eighty-one per cent of which are in this country. Almost four million motor cars and trucks are produced here annually with a wholesale value of over two billion dollars.

The SPRINGFIELD FIRE & MARINE INSURANCE COMPANY writes all kinds of automobile insurance except casualty. The insuring public demands complete insurance information. As an agent, it will pay you to study the needs of your community in all forms of insurance and to solicit all classes including automobile and inland marine. Let us co-operate with you in the solution of any problems which may arise.

SPRINGFIELD FIRE AND MARINE INSURANCE COMPANY
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Western Department
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WORLD AGENT (to his partner)
 "You don't have to be a Millionaire to be happy, but we stand a pretty good chance since we Get the Best in **THE WORLD**"

THE WORLD FIRE AND MARINE INSURANCE COMPANY
 Capital \$1,000,000.

Ralph B. Ives
 PRESIDENT

What is your ? pet problem?

Put it up to this Bureau, maintained for the benefit of agents everywhere by the AETNA INSURANCE COMPANY, THE WORLD FIRE AND MARINE INSURANCE COMPANY, and THE CENTURY INDEMNITY COMPANY.

Write for information to the
INSURANCE INFORMATION BUREAU
 670 MAIN STREET, HARTFORD, CONN.

AGENTS SHOULD BE ALERT TO SERVE POLICYHOLDERS WITH MODERN SUGGESTIONS

IN RISKS not yet sprinklered, an automatic sprinkler system reduces the fire hazard to such an extent that the assured's fire insurance rate is lowered from 50 to 90 percent. What's more, he can have such a system installed without putting up a cent. There are manufacturers and finance companies that will sprinkler his plant in the latest mode, and take their entire compensation out of the insurance savings that result. Usually the savings of five or six years are sufficient. After that the assured pockets annual profits on an investment that cost him nothing and continues to enjoy without cost the superior safety that automatic sprinklers afford.

Paper Manufacturer's Experience

The case can be stated no more plainly than by quoting an actual letter from a paper manufacturer in Wisconsin to a firm of sprinkler engineers.

"Seven years ago," the communication reads, "your company installed a \$35,000 automatic sprinkler system in the plants of the — Paper Co. We did not invest a dollar, but agreed to give you our insurance savings for a few years. Two years ago you gave us the system, terminating our contract with your firm. We now get all the insurance savings ourselves. They amount to \$11,000 a year, showing us a 31 percent profit on the \$35,000 we never invested.

"But \$35,000 increase in assets and \$11,000 a year profits seem relatively small considering the fact that the system saved our mills from destruction three years after it was installed. Without this protection our steady going business would have been crippled and our enormous tonnage curtailed. Fur-

ther than this, we know our employees are now safe from fire—and this is a load off our minds."

Reducing Operating Costs

In these days of high costs, keen competition in all kinds of industry, and limited profits, every man of business is interested in reducing his operating expense without endangering his returns. Right there is where the service of sprinkler companies fits in, enabling the local agent to offer merchants and manufacturers a thoroughly tested and reliable way to lower their insurance costs, increase the safety of their business, and reap dividends to boot.

The statement of James A. Beha, superintendent of the New York insurance department, is of interest:

"The insurance agents of the United States are facing developments wherein they must demonstrate their usefulness to the public in order to retain their position. This is said as a friendly warning, not as a threat. Any agent who merely collects toll on business that might be executed about as well without him, rendering no service of any value, has really no right to survive. Every agent should be a professional adviser to his clients. He should aid them to get the right protection in the forms best suited to their needs and in the right amounts.

"Paradoxical as it may sound, it is generally good business for an agent to save money for his client even where it appears to reduce the amount upon which he may obtain commissions. Very frequently it will bring him other lines of coverage and almost always it will help to make him secure against competition."

SAYS RATE MAKING IS JOB FOR UNDERWRITERS

(CONTINUED FROM PAGE 8)

modified plan of what was done in part when Mr. Jenness became secretary.

Restrictive Clauses Ignored

"While the above was written 10 years ago, I think that it still has points worth considering.

"And allow me to continue the above preachment contained in that address: 'As a suggestion, I would be in favor of including charges for hazards or certain features usually found in a risk of a certain class, in the rate itself, and not making a rate subject to restrictive clauses which are not enforced. We will come to this some day.' (It has been done since in some classes, as, for instance, the inherent hazard charge in flour mills and like risks, having explosion hazard.) 'My experience is that these restrictive clauses on which the (lower) rate is based are hardly ever lived up to by the assured, and when a loss occurs no company stands by them, so that in the last analysis nothing is gained and we do not even get the "quid pro quo" on which the rate is based.'

"The same logic applies to rate-reducing improvements exactly. We have too much 'system' and it is becoming top heavy.

Scientific Rating Impossible

"How do we know that the rates charged are high enough? They are based on the general experience, of course, but if one company does not receive its average number of risks of that particular class, the average rate would not be the proper rate for that company for the class, would it? After all, with the large element of chance in our business, a so-called scientific schedule is impossible. In trying to build up a scientific schedule we have over-refined our schedules to a point where the labor of

figuring it out and explaining it to the average business man confuses him to such an extent that he thinks it is some devilish device to raise his rate, although intended to explain and justify it.

Need Well Paid Men

"In conclusion, referring to your remarks in the article on the importance of having properly paid men to do this most important part of our business, namely, the fixing of the price, men who have had company experience in home offices and in the practical work in the field, men who will devote their life to this work, and do not consider it a stepping-stone to a special agency, for the simple reason that they would receive as much and more than the average special agent—nor would a managerial position with a company be eliminated—I would say that I heartily approve the sentiment.

Agents Would Favor Relay

"As to the loss situation, Clarence Rich of the Underwriters Adjusting Company of Chicago, whose able address you published recently, covered this ground fully. I will only add that if all companies would file all claims for 60 days as was done when I was a youngster in the business, this demoralizing and loss producing insane haste to have your loss draft in the hands of the assured first would be stopped automatically. A month after, the assured usually can't tell who paid first. Many agents, who in their hearts dislike the practice are forced by competition to go through the motion of hurrying their companies through an adjustment, would be in favor of 60 days. If the agents and public knew that losses would be filed 60 days without exception, they would accept it placidly and be content, and a lot of this jockeying for position would be eliminated. A lot of it is artificially created anyway."

Ohio Underwriters Mutual Fire has been admitted to Virginia.

CHANGES IN THE FIELD

NORTH BRITISH GROUP SHIFTS

Changes Are Made in Missouri and Kansas Field Representations of the Various Companies

Following the recent transfer by the North British group of William F. Sweazea from the Missouri state agency to the management of the Cook County (Chicago) office of the companies, William B. Winchell has been appointed his successor in the former connection. A native of the middle west, Mr. Winchell for the past few years has been Kansas state agent for the Pennsylvania and the Mercantile. In the Missouri field he will be assisted by Special Agent Leo B. Gribble, who was Mr. Sweazea's aid for a considerable period. Both Mr. Winchell and Mr. Gribble will make headquarters in Kansas City.

As Kansas State agent Mr. Winchell in turn will be replaced by Frank L. Britton, who formerly represented the North British alone, but henceforward will be responsible for the business of the Pennsylvania, Commonwealth and the Mercantile as well. He will have the continued assistance of Willis R. Kirn and also that of Special Agent R. H. Castleman. All three are very familiar with the territory and are exceptionally qualified to render aid to local representatives of the group companies. They have established offices at Topeka.

Missouri agents of the Pennsylvania have been advised that henceforward the company's interests outside of St. Louis will be in the hands of Mr. Winchell, former State Agent William C. Brown having been relieved of all work in the commonwealth aside from that in its chief city, where he will center his future efforts.

National Union Changes

Vernon C. Dargan, state agent of the National Union Fire in Texas, will leave shortly for Los Angeles to open and have charge of the southern California department of the company. L. O. Clay, senior special agent in Texas for the company, will take charge of that state and Judge A. Fite will have the north Texas field under Mr. Clay's supervision. Mr. Fite is an experienced local and special agent and in addition, has had seven years' banking experience.

W. L. Schreiber

W. L. Schreiber, Wisconsin state agent of the Iroquois Fire of Peoria, Ill., has been appointed special agent of the American of Newark and Columbia in Illinois assisting State Agent John B. Tetlow. Mr. Schreiber was formerly special agent of the Sun and later went with the Iroquois Fire, traveling out of the home office, giving part of his time to the office and part to the field. With the American, he succeeds O. D. Cox, who was transferred to Missouri.

Warren K. Smith

To develop still further the Ohio business of the Yorkshire, London & Provincial and the Yorkshire Indemnity, Warren K. Smith has been appointed as a field representative. He will make headquarters at Columbus, as does E. F. Flindell, Jr., who has traveled the territory for the past 12 months, and will continue so to do. Mr. Smith was state agent in Ohio for the Pennsylvania Fire and the Quaker City Underwriters for eight years.

Victor H. Miller

Victor H. Miller of Des Moines, special agent of the Springfield Fire & Marine in Iowa, who recently resigned, has become state agent of the State of Pennsylvania for Iowa and Nebraska. He will continue his headquarters in Des Moines. Vice-President John J. P.



NOW IS THE TIME

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Insurance—and

A Good Time to Try
Out the Facilities
of

The Eureka-
Security

F.
&
M.

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EUREKA-SECURITY FIRE
22 GARFIELD PLACE, CINCINNATI, OHIO

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Known Also As THE CINCINNATI UNDERWRITERS

Agents—Your Collection Troubles Solved!

One of your greatest difficulties is the collection of premiums.

These stickers are bringing results for some of the largest agencies in the country and will do the same for you.

For use on both policies and statements.

Reduce your collection expense, THEY PULL without offense.

Printed on bright red gummed paper, the exact size of cuts shown.




500 assorted stickers to each package. \$5. How many packs?

Mail in your check now—don't procrastinate—it's vital.

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One of America's Leading Hotels

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We have office space for two or three brokers—We can take care of all kinds of insurance except life. Our facilities are of the very best. Our engineer at your service at all times to help you to secure business.

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1703 Insurance Exchange

Ask for
James Hanning, Manager

OPPORTUNITIES

This column serves as a market place where insurance wants may be made known to thousands of interested insurance men. Advertisements which are received before 9:00 A. M. Wednesday are inserted in the current issue. "Opportunities" advertisements are \$5.00 an inch for one insertion.

The National Underwriter
Chicago

One capable and experienced Fire Insurance Man in each city of 10,000 or over population will be afforded opportunity for increasing his income during the next few months by devoting but little of his time and effort. If interested, address W-51, Care The National Underwriter.

SITUATION WANTED.

Young woman, college education, six months experience as comptometist in a bond house, would like similar work in Western Department insurance office.

Address W-52
Care The National Underwriter.

"AGENCY OPPORTUNITY"

Excellent opportunity is open in Cincinnati for a young man who has had experience in selling Automobile Liability Insurance. Letter giving full details treated confidentially. Address W-53, Care The National Underwriter.

WANTED

Competent tabulating machine operator by leading fire insurance company at Chicago. Reply stating age, experience and salary desired. Address W-54, Care The National Underwriter.

Rogers has been in Iowa, looking over field talent.

Rush W. Carter

Rush W. Carter, who for the last year and a half has been special agent in the farm department of the Aetna for Indiana, has been transferred to the

Minnesota field. Minneapolis will be his headquarters.

Harold Scott

Harold Scott, who for the last two years has been examiner in the farm department of the Aetna for Indiana, has been made special agent for Indiana.

AS SEEN FROM CHICAGO

OPEN INDEPENDENT OFFICES

Harry J. Chidley and William R. Reynolds of Moore, Case, Lyman & Hubbard, Chicago, have left that agency to form an independent brokerage office under the firm name of Chidley & Reynolds, with offices in the Insurance Exchange building. Mr Chidley has been with Moore, Case, Lyman & Hubbard for the past seven years and for 14 years prior to that was with the Chicago Board. Mr Reynolds has been with Moore, Case, Lyman & Hubbard for the past 14 years and for seven years prior to that was with the Chicago Board.

CHICAGO AGENCY MOVES

Charles Henninger & Co., handling general insurance, have moved their offices from 127 North Dearborn Street, Chicago, to Room 909, 111 West Jackson.

AMERICA FORE EXAMINERS' CLUB

Last week's meeting of the America Fore Examiners' Club of Chicago was also the first annual meeting of the club and was the occasion for the election of new officers. H. J. Petrie was elected president for the ensuing year, with L. E. Seiler as vice-president and R. J. Bothwell as secretary-treasurer.

SET FIELD CLUB OUTING DATE

June 17 is the date set for the annual field day of the Cook County Field Club. Nippersink Lodge, Wis., is the place. The club's 1926 field day also was held at Nippersink.

INSURANCE STOCK QUOTATIONS

H. W. Cornelius of Charles Sincere & Co., investment brokerage house of Chicago, gives the following insurance stock quotations:

	Bid	Asked
Aetna Cas. & Sur.	740	760
Aetna Fire	500	510
Aetna Life	555	565
Agricultural	260	...
American Alliance	318	328
American, N. J.	23	24
American Salamand	46	50
Alliance Assur.	51	53
Automobile	205	220
American Surety	226	229
Bankers & Shippers	277	290
Boston	525	...
Buffalo	300	...
Camden	17	18
Carolina	41	43
City of N. Y.	315	325
Commonwealth	600	...
Conn. General Life	1500	1550
Continental	158	161
Continental Cas.	48	50

	Bid	Asked
Continental Assur.	58	63
Fidelity-Cas.	155	159
Fidelity & Depos.	181	186
Fidelity-Phenix	104	105
Fire Association	48	53
Firemen's	215	220
Franklin Fire	203	210
Glens Falls	42 1/2	43 1/2
Globe & Rutgers	1450	1500
Great American	307	310
Hanover Fire	232	238
Harmonia Fire	42	44
Hartford Fire	500	510
Hartford Steam Boiler	620	640
Home, N. Y.	390	395
Homestead	31	33
Independence	19	22
Importers & Exporters	68	72
Ins. Co. of No. Amer.	59	61
Knickerbocker	25	...
Maryland Casualty	104	106
Mechanics Ins.	60	...
Merchants Fire, com.	120	130
Merchants Fire, pfd.	110	120
Lloyds Plate Glass	245	250
Milwaukee Mechanics	36	37 1/2
New Amsterdam Cas.	58	61
National, Ct.	740	750
National Liberty	418	...
National Union	238	245
New Jersey	36	42
Niagara Fire	258	...
New York Casualty	89	93
North River Fire	140	145
Northern, N. Y.	295	...
Pacific Fire	90	95
Preferred Accident	420	435
Provident-Washington	350	360
Phoenix, Ct.	530	540
Reliance Casualty, N. J.	150	165
Rhode Island Ins.	270	285
St. Paul Fire & Marine	105	...
Security, Ct.	99	101 1/2
Travelers Ins.	1140	1150
Stuyvesant	175	185
U. S. Casualty	325	340
U. S. Fidelity & Guar.	262	271
U. S. Ins.	182	187
U. S. Merchants & Ship.	255	260
Westchester Fire	43 1/2	44 1/2

FIRE ASSOCIATION TO MOVE

The western department of the Fire Association will move to its new quarters in the Adams-Franklin building some time next week.

Betty Rich, daughter of Clarence A. Rich, general manager of the Underwriters Adjusting Co., achieved distinction last week by handling the play "In the Rough" that was put on by the Women's Athletic Association of Northwestern University. Miss Rich has

Agency Connection Wanted

Chicago broker with large volume made up of profitable and select lines desires connection with small office of good company connections. Basis to be partial partnership without initial capital investment.

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1927

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NEW YORK

Western Department
175 W. Jackson Boulevard
CHICAGO

Pacific Coast Department
108-110 Sansome Street
SAN FRANCISCO

gained prominence on the Northwestern campus, and is the head of her sorority.

John D. Carpenter, state agent for the Queen in Iowa, was in the Chicago office of his company all last week. He made the stop en route to Florida, where he will stay until May 1.

Emil G. Pieper, president of the Rhode Island group, was in Chicago last week on his way to the Pacific coast.

Newbery & Co., Chicago, have issued an announcement to the effect they now

maintain a well equipped organization to deal in insurance stock issues for companies desirous of selling the remainder of their treasury stock or of increasing their capital.

Charles R. Tuttle, western manager of the North America and affiliated companies, will return from a vacation in California next Monday.

Walter Pierson has been appointed an engineer in the Cook County department of the America Fore group. He was formerly with the Chicago Board.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

RATES FOR SHANGHAI

Rates now quoted by the fire companies on risks in Shanghai are $\frac{1}{2}$ percent for 15 days and 1 percent for 30 days, no policy to be written for longer than the latter period. It is reported that 40,000 allied troops are now in and about the city.

MAY NOT SUE ON SEIZED PROPERTY

Germans whose property was seized by the alien property custodian during the war may not bring suits on their own behalf based on the property in question, it was held in effect by the United States Supreme Court, April 11, in dismissing an appeal of H. Mutzenbecher, Jr., for review of a suit against Sumner Ballard. The suit was dismissed by the lower court, that decision being upheld by the supreme court's refusal to review.

Mr. Ballard was employed by the company in 1915 as United States representative for the transaction of reinsurance business, and was also employed by the Scandinavia Reinsurance and the National Reinsurance as sole agent for the United States, employment with the last two firms being accepted under the direction and for the use and benefit of the Mutzenbecher company. The Mutzenbecher company demanded that Ballard make an accounting for sums received in trust. He refused, holding that his employment with the other companies was not procured for the benefit of his first employer.

The lower court held that under the trading-with-the-enemy act such interest as the Mutzenbecher company had in commissions earned by Ballard under his contracts with the other companies was subject to seizure by the alien property custodian and, therefore, that official became the only one who could make claim or bring suit against Mr. Ballard, pointing out that under a treaty with Germany, German nationals must look to their own government for redress of any grievance in connection with such seizures and cannot proceed either against American citizens or the United States.

MADE CHIEF EXAMINER

George A. Bell, who has been with the home office of the American for 17 years, holding various positions including that of examiner, has been promoted to chief examiner of the eastern department.

CONDIT SUCCEEDS ELLIS

M. A. Condit succeeds Warren W. Ellis as publicity manager of the Commercial Union group. For the past two years he has been Mr. Ellis' assistant, prior to which time he was connected with the business department of the Newark (N. J.) "Star-Eagle." Mr. Ellis resigned a short time ago to enter the service of the National Board.

FORT TALKS ON FARM SITUATION

Franklin W. Fort, member of Congress from New Jersey, and head of several important fire and marine reinsurance companies with offices in Newark, was among the more important speakers at a meeting of the Academy of Political Science in New York City recently. Discussing the plight of the

American farmer, particularly those living in the west, in the face of the decreased purchasing power of the dollar, Mr. Fort maintained that the cure for the difficulties complained of "does not lie so much in raising unit prices as in increasing the total productivity per pair of hands employed."

HINKLEY IS CHIEF RATER

David Hinkley has been selected by Manager Sumner Rhoades of the Eastern Underwriters Association for the important post of chief rater for the organization, which office he will assume

A Dependable Company

Agricultural Insurance Company
of Watertown, N.Y.

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President

A. H. HASSINGER, Vice-President and Secretary

JOHN KAY, Vice-President and Treasurer

WELLS T. BASSETT, Vice-President and Secretary

JANUARY 1ST, 1927, STATEMENTS

FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

ASSETS	CAPITAL	LIABILITIES	NET SURPLUS	SURPLUS POLICYHOLDERS
\$27,602,649.57	\$5,000,000.00	\$17,796,927.66	\$4,805,721.91	\$9,805,721.91

THE GIRARD F. & M. INSURANCE CO. OF PHILADELPHIA, PA.

\$5,648,862.17	\$1,000,000.00	\$2,938,563.59	\$1,710,298.58	\$2,710,298.58
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MECHANICS INSURANCE CO. OF PHILADELPHIA, PA.

\$4,452,703.00	\$600,000.00	\$2,748,734.22	\$1,103,968.78	\$1,703,968.78
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NATIONAL-BEN FRANKLIN FIRE INS. CO. OF PITTSBURGH, PA.

\$4,725,350.94	\$1,000,000.00	\$2,702,814.94	\$1,022,536.00	\$2,022,536.00
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SUPERIOR FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$4,600,981.46	\$1,000,000.00	\$2,598,996.65	\$1,001,984.81	\$2,001,984.81
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CONCORDIA FIRE INSURANCE CO. OF MILWAUKEE, WIS.

\$5,261,240.00	\$1,000,000.00	\$2,942,034.49	\$1,319,205.60	\$2,319,205.60
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CAPITAL FIRE INSURANCE CO. OF CONCORD, N. H.

\$724,764.95	\$300,000.00	\$733.34	\$424,031.61	\$ 724,031.61
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TOTAL ASSETS
\$53,016,552.18

TOTAL LIABILITIES
\$31,728,804.89

TOTAL NET PREMIUMS
\$25,001,307.09

PHILADELPHIA, Pa.

CONCORD, N. H.

MILWAUKEE, WIS.

PITTSBURGH, PA.

DEPARTMENT OFFICES

CHICAGO, ILLINOIS

Western Department

844 Rush Street

HERBERT A. CLARK, Manager

SAN FRANCISCO, CAL.

Pacific Department

60 Sansome Street

W. W. & E. G. POTTER, Managers

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TO MULTIPLY PRESS ANOTHER KEY

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CALCULATING
MACHINES—
AND NOTHING
ELSE

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MARCHANT CALCULATING MACHINE CO.
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at an early date. Mr. Hinkley is a man of fine physical proportions, being over six feet in height; of an agreeable personality and, above all, possessing an expert knowledge of the intricate subject of rate-making. For the past four years he has been deputy expert of the Schedule Rating Office of New Jersey, before that in turn having been an official of the Delaware of Philadelphia, a special agent in Pennsylvania for the Continental and one of those chosen by the committee of 20 of the National Board for the intricate task entrusted to it years ago. From this it will be seen that his training covers a broad field, and that he understands the art of preparing and applying schedules both from a theoretical and a practical standpoint. His special agency experience makes him sympathetic with the viewpoint of the local man and the property-owner as well as the insurance carrier. The office to which he has been appointed with the Eastern Underwriters Association is one of first importance, but every confidence in Mr. Hinkley's ability to fill it satisfactorily is expressed.

SEEK TO SELL STOCK

The Mayflower Fire & Marine and the Mayflower Fidelity & Casualty, both of Newark, N. J., have applied to the New York insurance department for license to sell shares of their stock in New York state.

PILE HEADS INSURANSHARES

Sterling Pile of Johnson & Higgins has been elected president of the recently formed Insuranshares Corporation of New York City, an organization created to purchase stocks of fire and casualty companies and to dispose of them to investors on an installment basis. Bennett Ellison of Hoey & Ellison was chairman of the committee on organization, and Carl M. Hansen, vice-president and general manager of the General Reinsurance, is a director.

PROGRESS ON COMMISSION PROBLEM

A delegation of Albany agents during a recent visit to New York City made an earnest plea before a committee of the Eastern Underwriters Association that their city continue to be regarded as an "excepted" center, instead of being classified as "ordinary territory" under the rules of the organization. The matter has been taken under advisement, but thus far no decision has been reached by the executives.

Special committees have yet to adjust agency relations in Buffalo, Newark, Pittsburgh, Baltimore, Boston and Washington, D. C., and some time is expected to elapse before this is fully accomplished. Meantime the classification work is progressing rapidly throughout the ordinary field, the large preponderance of local men in Maine, New Hampshire and Vermont having elected to accept flat 20 percent commission. Local men in the seaboard and residential cities and towns of New Jersey, as might be expected, prefer the graded 15 and 25 percent, while a considerable number of those located in communities possessing a good percentage of mercantile and manufacturing risks, have signed up on the 20 percent arrangement. In other words, it has been demonstrated that the commission problem is purely one of local determination, each agent electing that which yields the greatest return under his particular risk classification.

CRUM & FORSTER SECURE CITY OF SUNBURY CONTROL

NEW YORK, April 13.—Financial control of the City of Sunbury, Pa., has been secured by Crum & Forster of this city, and Henry J. Wyatt, vice-president of the latter combination, will represent it upon the directorate of the insurance company. Through an agreement in force for the past three years Crum & Forster have controlled the underwriting policy of the City, automatically reinsuring its business in the United States Fire. The City was originally operated

SAVING MADE UNDER TERM RATE ON TORNADO INSURANCE POLICY SHOWN

A CASE was presented recently to the western department of one of the fire companies in which Jones, a manufacturer, is interested in buying tornado insurance on his property. His agent presented the following figures: \$990.00 for a one-year term.
\$2,475.00 (2½ x annual) for a three-year term.
\$3,960.00 (4 x annual) for a five-year term.

The question raised was this:

If Jones must borrow the money at 6 percent, which term will be cheaper, three or five years? How, much, if anything, does he save on either the three or five-year term, after paying interest at 6 percent?

The problem was worked out in this way:

THREE-YEAR TERM

First Year—		
He must charge off the regular installment premium of		\$ 990.00
This deprives him of the use during that first year		
of the remaining \$1,485, at 6 percent.....	\$ 89.10	
Less earnings on \$495 in hand.....	29.70	
		59.40
Second Year—		
He again charges off.....		990.00
Plus use of previous year's interest, and balance of		
\$495 or \$576.10.....	34.57	
Less interest on \$495 in hand.....	29.70	
		4.87
Third Year—		
He charges off the balance.....		495.00
Plus use of interest of four previous years of \$110.80	6.65	
Less interest earned on \$495 in hand.....	29.70	
		\$ 23.05

Average annual cost \$338.74.

*The earnings are the amount saved by paying cash. It is very necessary to take this into consideration.

FIVE-YEAR TERM

First Year—		
He must charge off the regular installment premium of		\$ 990.00
This deprives him of the use during that first year		
of the remaining \$2,970 at 6 percent.....	\$178.20	
Less earnings on \$990 in hand.....	59.40	
		118.80
Second Year—		
He again charges off.....		990.00
Plus use of previous year's interest, and balance of		
\$1,980 or \$2,098.80.....	125.93	
Less interest on \$990 in hand.....	59.40	
		66.53
Third Year—		
He again charges off.....		990.00
Plus use of interest of two previous years and balance		
of \$990 or \$1,175.33.....	70.52	
Less interest on \$990 in hand.....	59.40	
		11.12
Fourth Year—		
He again charges off.....		990.00
Plus use of interest of three previous years \$196.45..	11.78	
Less interest earned on \$990.....	59.40	
		\$ 47.62
Fifth Year—		
He charges off use of interest of four previous years		
of \$208.23.....	12.49	
Less interest earned on \$990 in hand.....	59.40	
		46.91
		\$ 94.53

Average annual cost \$812.38.

INSTALLMENT PLAN

First Year—		
He pays		\$ 990.00
And earns interest on \$3,960 of.....	\$237.60	
Which reduces his		
Second Year—		
Second installment to.....		752.40
Which deducted from \$3,960 leaves \$3,207.60 on which		
he earns interest of.....	192.46	
Which reduces his		
Third Year—		
Third installment to.....		797.54
Which deducted from \$3,207.60 leaves \$2,410.06 on		
which he earns interest of.....	144.60	
Which reduces his		
Fourth Year—		
Fourth payment to.....		845.40
Which deducted from \$2,410.06 leaves \$1,564.66 on		
which he earns interest of.....	93.88	
Which reduces his		
Fifth Year—		
Fifth installment to.....		897.12
Making total cost.....		\$4,282.46
Less 6 percent interest during fifth year on cash		
balance of \$667.54.....		40.05
		\$4,242.41

Average annual cost \$848.48.

in Pittsburgh, but in 1920 it merged with the North Branch Fire of Sunbury, forming the present corporation.

Resist Louisiana Increase

Wholesale merchants of New Orleans are credited with a determination to resist the rate increase asked for by the fire companies of the Louisiana insurance commission.

Fire Waste Contest Entries

Following are the recent entries in the Inter-Chamber Fire Waste Contest

conducted by the National Fire Waste Council, under the auspices of the Chamber of Commerce of the United States: Sterling, Ill.; Maquoketa, Ia.; Brighton, Colo., and Bellingham, Wash.

After spending 15 months in the Raleigh county, W. Va., jail, charged with burning his home for insurance, George Hudson was recently released. He had two trials, the first resulting in a conviction and the second in a hung jury. Hudson went to West Virginia from Herlin, Ill., as a coal miners' union organizer. He said he was going back home now and was done with organizing, especially in West Virginia.

SOME RECENT COURT DECISIONS IN THE FIELD OF FIRE UNDERWRITING

Removal of Goods Covered by Fire Policy Without Compliance With Its Terms Held Worked Forfeiture of Policy.—In *Stillman vs. North River*, supreme court of Wisconsin, 212 N. W. 67, the plaintiff secured a policy covering personal property. It provided that it only covered the goods while they were situated in a certain described building.

While this policy was in force, plaintiff informed the company's agent that he intended to move to another town. Plaintiff did not, however, state when he was going to move or his exact location in the other town. Following this plaintiff moved, but never advised the agent of his exact location. The goods were destroyed before any indorsement of their removal from the first location had been made on the policy.

Company Denied Liability

The company denied liability on the grounds that the removal of the goods, without the proper indorsement being made on the policy forfeited it. The trial court, however, found in favor of the plaintiff. On appeal the higher court, in reviewing the record and in reversing this judgment, said:

"Appellant claims that the contract of insurance became void upon the removal of the insured property from the location described in the policy. By the terms of the policy the property was insured only while located in the building described in the policy. According to the terms of the policy this provision could not be waived by anyone unless the waiver be in writing and added to the policy. * * *

Has Knowledge of Provisions

"The insured is charged with knowledge of the provisions of the policy. He knew that by its terms it covered this property only while located in the building described in the policy, and that this provision in the policy could be changed only by a written agreement attached to the policy. Upon casually meeting the agent of the company on the street, he informed him that he was going to move to Neenah. He did not tell him when he was going to move, he did not tell him to what location in Neenah he intended to move, and he did not deliver to him the policy in order that the written agreement consenting to the change of location could be attached to the policy. He merely had the assurance of the agent that 'it would be all right.' He knew, however, that it could not be made 'all right' except by written consent attached to the policy.

No Opportunity to Attach Agreement

"He knew that no opportunity had been given to the agent to attach such an agreement. He had no reason whatever for believing that the terms and conditions of the policy had been waived in the manner required by the terms of the policy. He had no right to rely upon the belief that the insurance provided by the policy continued in force after the removal of his property from the location described in the policy. It is plain that there are no circumstances in the case which estopped the company from claiming a forfeiture of the policy. * * * Judgment reversed and cause remanded, with instructions to dismiss the plaintiff's complaint."

Failure of Insurance Company to Object to Insured Taking Out Additional Coverage in Violation of Terms of Policy Held Not to Constitute Waiver of Forfeiture Provision of Policy for Taking Out Additional Insurance.—In *Sargent vs. Canterbury Mutual Fire*, supreme court of New Hampshire, 136 Atl. 124, the plaintiff held a policy in the defendant company. He requested

of the company secretary that the insurance be increased. His request was denied and he stated that he would go in another company.

Plaintiff following this took additional insurance in another company, which by the terms of the policy in the defendant company rendered it void. A loss occurred and the company denied liability. Plaintiff contended that since the company did not protest at his statement that he would go in another company, it was estopped to assert the forfeiture clause from taking out additional insurance.

Lower Court Upheld

The trial resulted in a judgment in favor of the company. On appeal the higher court, in reviewing the record, and in upholding the lower court, said:

"Silence being a right unless the circumstances are such that it amounts to misrepresentation, the defendant's exercise of the right was no relinquishment of the right of forfeiture. There was no duty to tell the plaintiff that the policy contained the forfeiture clause or that if he obtained insurance elsewhere, the clause would be invoked.

No Right to Other Information

"The plaintiff had no right to information of the clause other than the policy gave him, or to be informed what the defendant would or might do in taking advantage of the clause in the event of other insurance. The plaintiff was entitled to do as he saw fit about obtaining other insurance, and failure to protest against the exercise of his right or to explain the consequences of such exercise constitutes no evidence that such consequences would not follow, but would be foregone. * * *

"There is nothing to show that the defendant led the plaintiff to understand either that there was no forfeiture clause in the policy or that the clause would not be enforced. If the plaintiff had such understanding, it was not because of anything the defendant said or did, for it said and did nothing. It merely exercised its right of silence. Having no duty to speak, it was not at fault for not speaking. If there was any fault, it was the plaintiff's and not the defendant's, that misled him. * * * Exception overruled."

Insurance Company Held Not Liable

For Fire Loss Where Application for Policy Was Lost in Mail.—In *Lamb vs. Mechanics*, supreme court of Kansas, 252 Pacific 213, the plaintiff filed an application for a policy on farm property Sept. 13. The agent mailed the application promptly, but it was never received by the defendant. The application contained a stipulation that it would not become binding until it was accepted in writing or a policy issued.

At the time this application was made, the plaintiff was informed that it was necessary to send the application to the defendant's home office for acceptance. The plaintiff also requested the agent to take charge of the policy on its arrival and hold it for plaintiff. Plaintiff made no further inquiry about the policy and on Dec. 10, the property was destroyed by fire.

Judgment Was Reversed

On this state of facts, the plaintiff brought action to recover. In support of his action he offered some evidence to show that the agent had told him that the policy would become effective immediately. The trial of the cause resulted in a judgment in favor of the plaintiff. On appeal the higher court in reviewing the record, and in reversing this judgment said:

"The plaintiff was actor. The application constituted his offer to enter into a contract of insurance. He would remain without insurance, unless the company

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Section of the Southwestern Bell Telephone Co. offices, St. Louis, Mo., equipped with GF Allsteel desks.

Yet, with all their advantages, wonderfully low in price

IN the most beautiful settings GF Allsteel Desks are in perfect harmony. They are steel—with the lifelong durability that only steel can have—with the fire-resisting, mar-proof quality that wood just can't possess.

But, in addition, they have the rich beauty of natural grain—the clean, graceful lines that mark the best in artistic design. Handsome Velvolum tops are banded with bronze—and are warm to the touch, stain-proof, washable. Feet, too, are bronze. Baked-on enamel finish can't chip or discolor. Steel drawers never stick—never warp.

And, GF Allsteel desks—mahogany, walnut, or green finish—cost no more than ordinary old-fashioned wooden desks. Mail the coupon for catalog.

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Please send me a copy of the GF Allsteel Desk catalog.

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manifested its assent. He had as much interest as the company in knowing if there was to be insurance. He appointed the company's agent his agent to receive and keep the policy for him, and he was interested in knowing if that relation came into existence. Throughout a period of nearly three months he had frequent opportunity to ask for the information which the court held it was the duty of the company to volunteer.

Could Not Hold Company Responsible

"Had he sought information, he would have learned the facts, and could have procured a policy from the company if it approved the risk, or could have applied for insurance elsewhere. In the absence of ground of belief induced by the company that his application had been accepted, he was not in position to charge the company with sole responsibility for the fact that his property was uninsured, or, indeed, any responsibility. * * *

Agent Could Not Bind Company

"In this instance, no matter what plaintiff believed, he was charged with knowledge that the agent could not make a contract of insurance to begin on the day the application was signed, or on any other day. The application informed him the agent could not bind the company with respect to the class of property he proposed to insure, informed him the company would not be bound until the application was accepted in writing or a policy was issued, and it is not material that plaintiff did not read the application. * * *

Home Office Action Necessary

"The statement that the policy would be issued and sent to the agent within two or three days from the time the application was sent in belongs in the same category with the statement that the insurance became effective immediately, and may not be considered as coming from the company. The result is, plaintiff knew he was not insured, and could not be insured, without positive action of the home office; and the agent's unauthorized statements were ineffectual either to form a contract or to furnish a foundation for a charge of negligence. * * *

"The court concludes there was no contract of insurance, and under the circumstances liability may not be imposed on the company. The judgment of the district court is reversed, and the cause is remanded, with direction to enter judgment for the defendant. * * *

When Rule as to Dual Agency Not Applied to Insurance Contract.—Action on a fire policy issued to plaintiff corporation on its plant in July, 1923. At that time defendant's agent, who obtained the policy for plaintiff, was a stockholder in the plaintiff corporation. On April 15, 1924, a week before the fire, the policy was changed and modified by riders attached to its face. These endorsements cancelled a coinsurance agreement in the policy and also made any loss payable to a mortgagee and the assured, as their interests might appear, and acknowledged the receipt of additional premium. Defendant contended that it had no knowledge of its agent's interest in the assured company until after the property was destroyed and that the contract could not be enforced because of the rule that an agent of an insurance company, who is interested as an owner of property or as a stockholder or officer of a corporation owning it, cannot bind his principal, who is ignorant of that fact, by a contract of insurance.

Held, that plaintiff could recover and that the mortgagee was entitled to an amount equal to the mortgage indebtedness. The rights of the plaintiff were determined by the terms of the modified contract of April 15, 1924, and it was admitted that at that time the agent was no longer the agent of defendant company. Furthermore, the fact that the agent's name appeared on the endorsement, cannot alter the fact that he was not the agent for the company at that time, but that another person, whose

initials were appended to said endorsement, was then acting. It must be presumed that the defendant company knew its own agent, and it took no exception to the character of the signature on the endorsement when it agreed, for a consideration, to change the original contract and thereby create a new contract. —Hawkeye Clay Works vs. Globe & Rutgers, Supreme Court of Iowa. * * *

A building destroyed by fire was found to have been partly on a public street. Held that one of the tests of sole and unconditional ownership was that the ownership must be of such a nature that insured must sustain entire loss if the property be destroyed. —Home Ins. Co. vs. McCoy, Ct. of Appeals, Ky. * * *

What Constitutes Total Loss.—Held that the test to be applied in determining when a building is a total loss as the result of fire is whether the structure remaining is reasonably adapted for use as a basis upon which to restore the building to the condition in which it was before the injury. Nat'l Union Fire vs. Richards, Ct. of Civil Appeals, 10th Dist. Texas. * * *

Construction of Policy.—Held that the provisions of the Minnesota standard fire insurance policy gave insured as well as insurer the right to an appraisal, and the statute providing for such policy was constitutional. Abramowitz vs. Continental, Sup. Ct. Minn. * * *

An endorsement consenting to assignment of a policy of fire insurance made by an agent after his discharge, held to be binding on the company when no notice was given to the new owner of the property, who was entitled thereto even though he had no prior knowledge as to the agency. Globe & Rutgers Fire vs. Porter. Ct. of Appeals, Ky. * * *

Held that plaintiff could not recover a premium paid on a fire insurance policy when the local agent had failed to sign it as required therein, where the officers of the company had signed same and sent it to the agents for delivery who kept it for plaintiff and recognized it as a valid obligation. In such case the company was bound and plaintiff should not be permitted to recover the premium paid. Hartford Fire vs. Prather, Ct. of Appeals, Ky. * * *

Increased Hazard.—Where defendant insured plaintiff's chewing gum factory against fire and a portion was leased to a tenant for storage and a moonshine still was run without the plaintiff's knowledge, held that the policy was not voided by the increase of hazard since no knowledge existed on part of plaintiff as to such use of the leased premises. Colker vs. Connecticut Fire, Ct. of Appeals, Ky. * * *

Forfeiture. Where plaintiff told defendant he would take his policy from it and get insurance elsewhere if it did not increase amount and request for increase was refused, held that this could not be construed as a waiver of the provision providing for forfeiture in the event that other insurance was taken out. Sargent vs. Canterbury Mutual Fire, Sup. Ct., N. Y. * * *

Held that inspector of the defendant company visiting premises of plaintiff and seeing that inventory book was not kept in a fireproof safe required by policy and making no objection, constituted waiver of this breach by appellee. Mutual Fire vs. Leverette, Ct. of Civil Appeals, Texas, 10th Dist. * * *

Mutual Company.—Held that where payment of assessment on the policy had been extended and a fire loss occurred during the extended period, the insured could recover. Rosenbraugh vs. Fire Relief Ass'n, Sup. Ct. Oregon. * * *

Limitation of Action.—Held that where plaintiff had delayed bringing ac-

CASES WHERE AGENT INSURED HIS OWN PROPERTY IN HIS OWN COMPANIES

Where Local Agent Applied for Insurance on His Own Property Held His Company Was Not Bound Until the Risk Had Been Accepted.—In Muncey vs. Security, supreme court of Idaho, 252 Pac. 870, the plaintiff, a local agent, applied for a policy covering property that belonged to him. He wrote the policy Sept. 1, and a few days later, before the risk had been accepted by his company, the property was destroyed by fire.

Company Denied Liability

The company denied liability, on the ground that it had never accepted the risk. The plaintiff brought suit, and upon the trial offered to prove that some time prior to the execution of the policy the state agent had requested that plaintiff give his company as much of his insurance as he could. The trial court sustained an objection to the offer of this proof, and rendered judgment in favor of the company. On appeal the higher court in reviewing the record, and in affirming this judgment, said:

What the Court Held

"Where an insurance agent himself is an applicant for insurance, the company is not bound or obligated, unless, being fully informed of the facts, the company accepts the risk. * * *

"Nowhere in this offer of proof, or at any other place in the record, does it appear that appellants offered to prove any more than that more of Muncey's business had been requested by the company and that they desired all of his insurance they could have. It does not appear in the record or in the offer of proof that appellants attempted or offered to prove that the company ever had knowledge of the nature or kind of risk that Muncey stated he was going to give them in this particular policy, or that the company had ever agreed to accept or accepted this risk prior to the writing of the policy or at any time.

No Acceptance Shown

"Under the above rule there must have been an acceptance by the company and herein no acceptance was shown or offered to be shown. The mere fact that the company asked for and desired all of appellant's insurance it could have does not affect the rule, and therefore the proof offered was properly rejected. * * * The judgment of the trial court is affirmed. Costs awarded to respondent."

SOUTH DAKOTA CASE

Where Local Agent Issued Fire Policy on Property in Which He Was Interested in an Amount That Greatly

Exceeded Value Held His Company Was Not Bound.—In Frazier vs. Hartford Fire, supreme court of South Dakota 211 N. W. 973, the plaintiff entered into a contract to purchase a certain building from the Union Savings Association. A small amount of cash was paid upon this contract. Plaintiff thereupon secured a policy for \$4,000 on the property. This policy was written by one Vandagriff, who was an officer of the Union Savings Association, as well as local agent for the defendant company.

Court Reversed Decision

In issuing this policy, it appears that Vandagriff permitted it to exceed the value of the property to such an extent as to impose a moral hazard. A loss occurred and the company denied liability. Plaintiff brought action, and recovered a judgment in the lower court. On appeal the higher court in reviewing the record, and in reversing this judgment, said:

"It is contended by the appellant that Vandagriff, in issuing the policy involved, was attempting to act as agent for both the insurer and the insured; that in attempting to do so he was violating the well-established rule that an agent cannot represent adverse interest in the same transaction; in other words, that he cannot 'serve two masters' at the same time.

"Of course, to this rule there are exceptions, but where an agent undertakes to represent adverse parties, it must be done with knowledge, actual or implied, of such parties, and the utmost good faith must be shown. It is contended by respondents that Vandagriff had the consent of appellant to write insurance on property owned by the association. The evidence does not substantiate this claim. But, assuming he had such permission, this would not excuse him from making full disclosure, nor for concealing the facts relative to the risk he was attempting to impose upon appellant when he issued the policy. * * *

Says Fraud Was Committed

"In issuing the policy in this case Vandagriff, while assuming to act for and on behalf of appellant, as a matter of fact, was acting solely in the interest of the respondents and against the interest of appellant. This amounted to fraud upon the appellant, and plaintiff not only had reason to suspect such fraud but had actual knowledge of the same. Under these circumstances, the policy was void from its inception and the court should have directed a verdict for appellant. * * * The judgment and order appealed from are reversed."

tion beyond the time limit in the policy and there was no evidence of waiver, a nonsuit should be entered. Welch vs. Insurance Co., Sup. Ct. N. C. * * *

Where a policy provided that it insured certain household effects while in specific premises and that there could be no waiver except in writing, held that complaint should be dismissed where the articles were removed to other premises and no written consent given for such removal. Stillman vs. North River, Sup. Ct. Wis. * * *

Held, it was no defense in an action on policy of fire insurance covering a barn and silo that same were unoccupied and were encumbered where it appeared that the company had knowledge thereof. Day vs. Hastisford Farmers Mutual, Sup. Ct. Wis. * * *

Sommers Goes to the Coast

Paul B. Sommers, vice-president of the American of Newark, has gone to San Francisco on a business trip. On his

way back he will make stops at Los Angeles, various points in Texas, in Memphis and at Dayton, O. He will return to Newark about May 1.

Issue House Organ

The National Union Fire and National Union Indemnity of Pittsburgh have just issued the first number of the new house organ known as "News Item." A. B. Cockshaw is editor.

Field Men's Dinner at Syracuse

The Syracuse Field Men's Club will tender a dinner to all the local agents of Syracuse, N. Y., April 22. The field men are inviting their company officers and already 20 have accepted. Superintendent Beha has been invited.

Main Returns From the East

David J. Main of Denver, a member of the agency firm of Standart & Main, has been in the east for three weeks spending some of the time with his daughter who is at Smith College. Mr. Main stopped off in Chicago en route home last week.

SOME OBSERVATIONS ON FARM INSURANCE AND PRESENT CONDITIONS IN THE CLASS

By NEWELL C. SCOTT
Of William L. Scott & Son, Memphis, Mo.

MUCH is being said and written these days both by local agents and company officials regarding the farm insurance business. Several of the states have increased rates on this class of business with the thought in mind that it would induce the companies to write more liberally and, in some instances, to induce other companies, that have withdrawn, to reenter their respective states. Having been in the farm insurance business for a number of years and living in a community that is exclusively agricultural, we feel that we can intelligently, to some degree at least, discuss this subject, with particular reference to the Missouri business.

Much Rests With Agents

We feel that the success of underwriting farm business does not lie with the company examiners nor the company field men but with the local agent who takes the application, inspects the premises, knows the applicant and collects the money. It is reasonable to assume that he would be in a much better position to properly underwrite this class of business than anyone connected with a company who has absolutely no knowledge of the risk other than a few statements that are given on the application. Therefore, it occurs to us, that only the highest type of representatives, men who have a working knowledge of the insurance business and who are in a position to know values, should be selected by the companies to solicit business.

Would Outlaw Part Time Agents

The part time agent, which would include the banker agent, has no place in the farm insurance business of today. We say this because we believe he has no real interest in the business other than the commission. Usually he does not inspect the property and being engaged in other lines of business, he does not understand the underwriting of the business.

Proper Distribution Essential

Providing a risk is insurable, the most essential part of the insurance contract is the proper distribution of the insurance on the several items to be covered. In other words a well balanced farm policy should have at least a 40 percent distribution as to the personal items because it is upon this theory that the business of insurance is founded. This being true as a whole, it must apply, as nearly as possible, to the individual risk. Insurance written on farm buildings only, where there are personal items in connection therewith, is very undesirable for the company as well as the assured.

Within the past few years a number

of farm companies have withdrawn from Missouri due to excessive loss ratios which they sustained on their farm business. Out of approximately 110 fire companies licensed in this state, scarcely a dozen of them are writing farm insurance. This fact within itself is discouraging. Yet, we believe, that the farm insurance business offers the greatest opportunities of any other line of business, both to company and agent, for the reason that it is considerably undeveloped as to premium income. The county mutual companies control the large portion of this business in Missouri. While it is true that the policies issued by these mutual companies are, in most instances, inferior as to protection yet, being sold at a much cheaper price, seems to get them the business that is the most desirable. While it will be impossible for the stock companies to reduce their rates to meet mutual competition yet we do feel that something must be done with the rate question in this state.

Better Construction Is Seen

It would seem from the companies' loss experience that the rates were not high enough but from the solicitor's standpoint, they are too high. Farming conditions have so changed within the past few years that the present rate, which is a flat rate covering all farm items, is fast becoming obsolete. Better dwellings and barns are being constructed and instead of the frame, shingle roof, dwelling with three to five chimneys, no foundation, there are being built brick, tile roof, dwellings, furnace heated and with but one flue, solid cement or brick foundation, and dozens of other improvements that are fast making added security to farm property.

Suggests Schedule Rating

There is no logical reason why a poorly constructed frame dwelling should carry the same rate as a new modern, brick dwelling, but it does. Why not a schedule rating of farm property just the same as dwelling property? There is no question in our minds that it will eventually come, and to the advantage of both company and assured. It occurs to us that it would be a mighty good time for both company and agent to cooperate to the extent of reducing the farm rate on the better constructed class of buildings and thus, at least, have a fair chance to secure the best class of buildings and personal property which is now being written by the county mutual companies. The rates on other classes of business have been changed numerous times during the past few years. Still we are forced to use

(CONTINUED ON NEXT PAGE)



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OLD CHIMNEYS GREATEST "FIRE BUGS" WITH WHICH COMPANIES CONTEND

JAMES N. BROWN of St. Louis, the veteran insurance man and adjuster who has had much experience in studying hazards, calls attention to the fact that old chimneys and flues are the greatest "fire bugs" with which insurance companies come in contact. Mr. Brown is speaking from his own experience in adjusting losses and inspecting. He thinks that with chimneys in order and lightning rods properly set up farm business will be profitable. Impaired chimneys are one of the greatest menaces in insuring farm property. He says:

"Insurance companies have at last awakened to the fact that old chimneys and flues are the most prevalent 'fire bugs' they have to contend with. It is a hard task to convince the owner that his chimney is dangerous. One is met with the statement that the chimney is so many years old and has never caused a fire loss, hence it will never cause one. If the owner or inspector will look carefully at the lime mortar he will see that it is black at least part of the way downward from the top of the chimney. This is caused by the smoke from the inside coming through the mortar. Smoke rises, hence it does not blacken the chimney by smoke coming down on the outside. If he will get a ladder and climb to the top and look down inside the chimney he will see that much of the mortar has fallen out or been washed out by heavy rains, thus leaving nothing to hold the brick together except lime dust and sand, which does not prevent the smoke from seeping through the cracks thus formed. Roof timbers and woodwork in attics which come in contact with the chimney will easily become ignited through these cracks and set fire to the building.

Soft Coal Causes Condition

"This condition prevails where soft coal is used for a period of five years or more. Where hard coal is the fuel used very little damage will be found. All soft or bituminous coal contains a large amount of sulphur. Sometimes it can be seen in seams or veins from an eighth to half an inch in thickness, which, in burning, becomes SO_2 (sulphur dioxide)—one part sulphur and two parts oxygen, a colorless gas of sulphur match odor; this, with water which is always found in chimney gases, will form an acid H_2SO_3 (sulphurous acid). Often it may be oxidized into H_2SO_4 (sulphuric acid), which is very injurious to lime mortar (largely carbonate), such as is generally used in building chimneys in this western country. The sulphur dioxide is generated by the fire and passes into the chimney through the smoke pipe and gradually forms into sulphurous acid, then into sulphuric acid as it reaches the top where there is more oxygen in the atmosphere.

Where soft coal is used it is necessary to rebuild the chimney tops every few years. To make a chimney last a long time, tear it down below the roof, get fire clay tiling (not sewer pipe) of the same size as the inside measurement of the chimney. Set it in the top of the flue and build up with good hard brick laid in cement, consisting of two

parts of sharp river sand and one part of good Portland cement. Mix and lay quickly before the cement hardens. This will make a solid brick and cement chimney through the roof, where there is the most danger, and is the best that can be done unless it is torn down to the ground and rebuilt, which is quite expensive and seldom necessary. Build the chimney up at least three feet above the peak of the roof.

"Do not under any circumstances 'top off' a chimney with tiling or metal as they are soon destroyed by the sulphurous acid in the coal smoke and either fall off or are blown off, frequently damaging the roof. Build it all the way up with brick, tiling lined, as indicated above.

Agent Should Inspect Risk

"Almost all estimated suggestions are given for new chimneys and flues, but the greatest danger is in old ones. Every city of any size should have a building code and some competent person appointed whose business it will be to enforce its provisions. (Sample copies of such codes may be obtained from the National Board, New York City, or in Brown's Estimates, published by Rough Notes Co., Indianapolis, Ind.)

"Having just read an article credited to Mr. Seabury in THE NATIONAL UNDERWRITER, entitled 'Underwriting at Long Distance,' I fully agree with the author; but would like to add that the legislature in each state should enact a statute requiring every agent to inspect each risk that he writes. This may be done either in person or by some one in his employ and state on the daily report the date of the last inspection of the risk. The compensation for such inspections should be in the form of a commission—a percentage on the net profits of his agency.

"The writer conducted an agency in an Illinois town for 20 years and inspected every risk he wrote, both inside and out, with the exception of three risks, two were located over 50 miles away and the third one burned before the policy expired. Net premiums for twenty years were nearly \$230,000. Losses were 13.86 percent. Commissions averaged 14.45 percent.

I believe that an allowance of 10 percent on farm dwellings be made where the chimneys are lined throughout with a fire clay tiling and of only 5 percent if an old flue is repaired. This is to be in effect when an old chimney is repaired by inserting the fire clay lining to reach below the roof and roof timbers. If not so installed an increase of about 10 per cent on renewals should be made. Also a reduction of 10 per cent should be allowed on renewals of policies covering buildings where properly installed lightning rods are erected. Such erection to be in accordance with the rules of the Underwriters Laboratories.

"Another suggestion: All states which have what is known as the valued policy law and the anti-repair law should take steps to have such laws repealed, at once, for it is impossible for companies operating under these laws to make any money."

SOME OBSERVATIONS ON FARM INSURANCE MADE (CONT'D FROM PRECEDING PAGE)

the same rate on farm business that was in "style" years ago.

Farm Situation in Missouri

Summing up the farm insurance situation in Missouri, we have come to the following conclusions: (a) That the companies should use the greatest care in the appointment of farm insurance solicitors and that they should be full time men; (b) that the rates on farm buildings should be governed by the class of construction; (c) that the Missouri valued policy law should be re-

pealed; (d) that Missouri should have a fire marshal law. We believe that with the carrying out of the four above mentioned suggestions, the farm business would be placed on a much higher plane which would be to the best interests of all concerned.

Old Denver Agency Sold

The Higgins Agency of Denver has been sold to Mark Skinner of that city. It is one of the oldest agencies in Denver and was formerly operated for many years by W. H. Stewart. It represented the Globe & Rutgers, Calumet Underwriters, Netherlands and Minneapolis Fire & Marine.

Books Suggested for Comprehensive Study of Fire Insurance

REQUESTS for suggestions for comprehensive reading on fire insurance makes it advisable to print the following list of books which can be secured from THE NATIONAL UNDERWRITER at the quoted prices. The list of books will prove especially valuable to a new agent in the business who desires to broaden his knowledge in the fire insurance field. "Right to the Point" is an introductory manual for local agents. The question and answer method has been used in this book, 268 questions being covered; price in flexible leather binding, \$1.25; leather binding \$1.

"Pointers for Local Agents" is a compilation of several thousand questions and answers which appeared in the "Pointers" column of THE NATIONAL UNDERWRITER. The best underwriters and authorities in the country were consulted in preparing the answers and the result is a clear authoritative understandable answer on practically any question which may come up in the local agency. Price in leather binding \$2.

"The Fire Insurance Contract," compiled and edited by and published under the auspices of the Insurance Society of New York, is completely and thoroughly indexed by word and topic. With a complete table of cases referred to it is in itself an index to the whole law of insurance. Price \$5 in law binding.

"Insurance Principles and Practice" is by Robert Riegel, Ph. D., professor of insurance of the Wharton School of Finance, and H. J. Loman, M. A., instructor in insurance, University of Pennsylvania. The book has 450 pages and in flexible binding, costs \$6.

"Fire Insurance" by Lester W. Zartman is priced at \$3.50. "Property Insurance" by S. S. Huebner, Wharton School of Finance, costs \$3. "Hall on Adjustments" by Thrasher Hall explains in a clear, easily understood language the attitude of the courts on each point. Full citations are made of all decisions, costs \$3.50. "Use and Occupancy" by Thrasher Hall is another good book and costs \$2.50 a copy.

CHAMBER OF COMMERCE ANNOUNCES PROGRAM (CONTINUED FROM PAGE 5)

representatives from different departments will speak. At this session President H. A. Smith of the National Fire, and chairman of the insurance division, will speak for that division.

Program of Insurance Luncheon

At the luncheon meeting May 3, the insurance program will be of particular interest. President Smith of the National Fire presiding and James L. Madden, manager of the insurance department of the National Chamber, acting as secretary. Mr. Smith will review the activities of the insurance division for the previous year. Prof. S. S. Huebner of the University of Pennsylvania will speak on "Service and the Institution of Insurance." Vice-President C. A. Ludlum of the Home of New York, who is president of the Western Union, and James S. Kemper, president of the Lumbermen's Mutual Casualty and the National Retailers Mutual of Chicago, who is a director of the National Chamber, will speak on "Service of Fire Insurance." President F. Highlands Burns of the Maryland Casualty will speak on "The Service of Casualty Insurance." Leroy A. Lincoln, general counsel of the Metropolitan Life, will speak on "The Service of Life Insurance."

Harry A. Smith's term as a director expires this year, but undoubtedly he will be re-elected, as he has given most excellent service.

Statement as to Meeting

"In many respects," says a statement issued by the chamber, "the meeting will be one of the most important ever held. American business, sweeping for-

ward under the play of new economic forces, finds it more necessary than ever to look into the future. What do changes that are taking place foretold? How sharp is the break from the conditions before the war? In what direction are we headed? Are we approaching ever more important readjustments than we have seen in the recent past?

"The new business era demands the careful weighing of many problems. It calls for study of complicated relationships. Trades and industries are entering new fields. Business units and conditions are changing. New points of contact with government and within commerce and industry are being developed."

Business Achieving New Things

"Business is achieving so many new things even the best observers cannot keep abreast of them all. Industries are changing with new inventions and the application of new methods. Selling goods at home and abroad is bringing out new features of distribution."

"The annual meeting of the National Chamber will survey economic trends with the purpose of determining their meaning, with the hope of throwing light into the future. Leading business men will bring forward new problems within their industries. Newly arising questions that are bothering large sections of the country will be discussed. This meeting will bring to bear on our national economic problems the best business thought of America. From it will come a program setting up principles to serve as guideposts for the future."

A. R. Harwood in New York

A. R. Harwood, director of the head office board of the Queensland of New Zealand, is visiting in New York City.

CONVENTION DATES

April 19-21—National Association of Insurance Agents, mid-year meeting, Chicago.

May 2-4—Insurance Commissioners Convention, spring meeting, Richmond, Va.

May 4-5—Nebraska Agents, Columbus.

May 4-6—Western Insurance Bureau, Briar Cliff, N. Y.

May 6-7—Alabama Agents, Montgomery.

May 9-12—National Fire Protection Association, Chicago.

May 12-13—Louisiana Agents, Shreveport.

May 13—New York State Federation, Buffalo.

May 13-14—New York Federation, Buffalo.

May 19—Arkansas Association of Insurance Agents, Little Rock.

May 20—Arkansas Insurers' Association, Hot Springs.

May 23-24—Association of Fire Insurance General Agents, Hot Springs.

May 23-24—Insurance Advertising Conference, Hartford.

May 23-25—Pennsylvania Federation, Philadelphia.

May 24-25—New York Agents, Syracuse.

May 25—National Board, New York.

June 9-12—Texas Agents, Dallas.

June 8-9—North Carolina Agents, Durham.

June 14—Mississippi Agents, Jackson.

June 17-18—Georgia Agents, Tybee Island.

June 21-23—New England Agents, Poland Springs, Me.

June 21-23—Wisconsin Bureau Field Club, Delavan.

June 28-29—Illinois State Board, Delavan, Wis.

June 28-29—Kentucky Agents, Lexington.

Sept. 12-14—International Claim Association, Toronto.

Sept. 26-30—National Safety Congress, Chicago.

Sept. 27-29—Casualty Conventions, White Sulphur Springs.

Oct. 19-20—National Association of Insurance Agents (annual meeting), New Orleans.

Oct. 25-27—Blue Goose Grand Nest, Dallas.

UNION TRANSACTS ITS BUSINESS IN ONE DAY

(CONTINUED FROM PAGE 3)

offer a plan to which it can subscribe for the writing of grain in elevators other than terminal under some practicable form of pool organization."

The committee on order of business recommended that a "committee on loss adjustments be appointed by the president, charged with the responsibility of investigating the conditions of loss adjustments throughout the territory of this Union with power to recommend plans for the correction of evils; also to cooperate with similar committees in other jurisdictions engaged in the consideration of this same important subject."

Impounded Premiums

The action on return commissions on impounded premiums was:

"Resolved, that the payment, or allowance, of commissions to agents or others on premiums subject to refund on account of rate litigation or court or departmental ruling is a violation of the commission rules of the Union and that the governing committee is authorized and empowered to notify members in any specific case where and when

the interpretation of the rules shall apply."

The large cities committee report brought out some spirited discussion on the Chicago situation. It was resolved that the committee proceed to do something although many feel it is useless to make the attempt.

Problem of Balances

The committee on field organizations, through Chairman H. T. Cartledge of the Liverpool & London & Globe, reported encouragingly on the wording of the balance rule. It stated that while some companies feel the collection of balances should be an individual matter the committee voiced the sentiment that the cooperative plan was producing gratifying results.

The endorsement of the report carried with it the instruction to have all companies join in the movement. It is proposed to have the field organizations send one representative each to a conference in Chicago for a round table conference on the best methods to enforce the rule.

Blue Goose Activities

The committee stated that disquieting reports had come to it regarding the conduct at Blue Goose meetings and banquets in some states. These reports are to be investigated and if confirmed

the committee will feel it necessary to address the officers, call their attention to what are reported to be deplorable conditions and urge that remedial action be taken at once. If this course be not taken by the Blue Goose ponds, a more detailed report will be made to the Western Union and appropriate resolutions offered.

Fred A. Rye of the Commercial Union reported for the public relations committee, stating that new contracts are constantly being made with other business bodies. A study has been made of company investments with the knowledge in mind that insurance companies are large purchasers of securities. This influence should make itself felt through banks and financial houses in general.

Chicago Loss Bureau

C. R. Street of the Great American reported for the Cook county loss adjustment bureau, saying that while the original plan had been materially modified the office was functioning successfully. While agents are now privileged to choose the adjuster under the rules where a loss does not exceed \$1,000, 75 percent of the smaller losses are handled by the bureau itself.

The report said the business of the bureau was heavier than ever. Mr. Street feels the bureau has cured an intolerable situation in Chicago, where

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If you are a local, general, state, or special agent, you need the INSURANCE PRODUCERS BULLETIN. Tear out the coupon. Use it either to begin your subscription to this Service or to secure sample Bulletins of the Service. \$5.00 attached to the coupon insures you against the hazard of missing a single coming issue. Get your insurance against Guessing today!

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Every ten days subscribers of the Insurance Producers Bulletin receive complete information on some phase of insurance which is of universal interest to agents.

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These Bulletins are written by an experienced agency and company man who treats each subject from not one but both viewpoints. His practical knowledge enables him to write common sense, not impossible theory.

Every user is an enthusiastic booster. "I would pay \$5.00 for this one Bulletin," one agent wrote—another said, "Wouldn't be without it." Another asked, "How long has this been going on?"

Here is what the General Insurance agency at Warren, Ohio, says, "... We feel it might be advisable to have at least two copies of this Service in our agency. ... This Service is something that the insurance business has been in need of for a long time. ..."

W. J. Burdick & Sons of Kalamazoo, Mich., say, "We cannot afford to do without these missing bulletins." Someone had thought so much of the bulletin that they had appropriated the Burdick Agency one for their own use.

FREE—Two of These Valuable Bulletins—

Just check off the two that most interest you and fill out coupon.

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| <input type="checkbox"/> "Completion Bonds." | <input type="checkbox"/> Lloyds of London. | <input type="checkbox"/> "Improvements and Betterments to Building." |
| <input type="checkbox"/> Builder's Risk—Automatic Coverage. | <input type="checkbox"/> The Origin of Fire Insurance. | <input type="checkbox"/> "Flood Insurance." |
| <input type="checkbox"/> Cancellation—Short & Pro Rate. | <input type="checkbox"/> Profits and/or Commission Insurance. | <input type="checkbox"/> Waiver of Inventory or Appraisal Clause. |
| <input type="checkbox"/> Contractors' Public Liability and Property Damage Insurance. | <input type="checkbox"/> Registered Mail Insurance. | <input type="checkbox"/> Manufacturers' Public Liability and Property Damage Insurance. |
| <input type="checkbox"/> The Co-Insurance Clause. | <input type="checkbox"/> Rent and/or Rental Value Insurance. | <input type="checkbox"/> Safety Deposit Box Burglary and Robbery Insurance. |
| <input type="checkbox"/> The Fire Insurance Policy. | <input type="checkbox"/> Riot and Civil Commotion Insurance. | |
| <input type="checkbox"/> Contents Form. | <input type="checkbox"/> Sprinkler Leakage Insurance. | |

INSURANCE PRODUCERS BULLETIN,
1566 Insurance Exchange, Chicago, Ill.

Gentlemen:

☐ You may enter my order for one year's service to the bulletin, including loose leaf folder indexed for future use, for which I enclose my check for \$5.00.

☐ Without obligation on my part please send me the two bulletins as marked above.

Name

Address

City..... State.....

Insurance Producers Bulletin

"The Pioneer Bulletin"

1566 Insurance Exchange, Chicago, Ill.

In the Heart of the Insurance World

GEO. CARTER
Editor

Telephone:
WABASH 3033-3034

agency influence was so powerful in loss adjustments. He characterized as the two outstanding insurance accomplishments of the year, the formation of this loss bureau and the organization of the Eastern Underwriters Association. The report stated that a number of incompetent independent adjusters had been eliminated. It is now possible in a moderate way to control public adjusters. Agency influence is greatly minimized. There has been a marked reduction in the number of adjusters on a large loss. The attitude of adjusters toward their work has improved. Almost all the Chicago agents are cooperating. There are some minor elements, the report declared, that are antagonistic but they cannot be counted on for support on other reforms. There were 22,000 losses handled last year. The report said that it is now possible to stay with crooked losses to the finish.

Audit Bureau Functioning

The governing committee reported that audit bureaus are functioning successfully in all but three states. They have proved to be an economic feature. There are but few cases where agents are not reporting through the bureaus. There is no Union rule on the subject. Hence it was recommended that a mandatory rule be passed requiring companies to see to it that reports on all business over which the Western Union has jurisdiction be sent through the audit bureaus.

In view of situation arising in Kentucky, Missouri and Kansas over impounded premiums it was decided to prohibit the payment of return commissions to agents on impounded premiums involved in litigation. It was stated that all companies were not reporting deviations in estimates, forms, etc., as required by the rules. The governing committee now has a plan for review of deviations continuing over a certain period. After a close scrutiny, where advisable uniform action will be required.

Against Deductible Form

The governing committee through Chairman J. R. Wilbur of the America Fore group reported that careful consideration had been given to the suggestion for a rate differential to be applied where a deductible clause was used. The committee reached the conclusion that while a plan of this kind would be desirable it would be impracticable unless there was uniform legislation the country over to permit it.

Control Inland Marine Cover

The committee on inland marine insurance reported that President Rush of the North America is chairman of a general committee whose report is now before the Eastern Underwriters Association and will be laid before other similar organizations. It recommends the formation of the interstate underwriters board of the Eastern Underwriters Association, Western Union, Western Insurance Bureau, Southeastern Underwriters Association, Pacific Board and any other allied organization. It shall define and maintain a definite line between marine and fire business. It shall figure out the rates and recommend them to local organizations. It shall establish rates concerning commissions and brokerage. It shall recommend proper forms. It shall foster correct and uniform practices on floaters covering in one or more states for fire and allied lines. A governing committee shall be formed consisting of the executive officers of the various territorial organizations. It shall seek to divorce marine and inland from fire floaters. It shall provide means whereby the latter may be rated and issued.

W. H. Lininger of the Springfield presented the report of the committee on publicity and education. Since the September meeting over a million pieces of literature have been distributed. The committee is cooperating with local chambers of commerce in providing specially prepared literature for the spring fire prevention clean-up campaign being

conducted next week by the National Fire Protection Association. There has been an unusual demand for new pamphlets dealing with valued policy laws, the relation of insurance to industry and commerce, and the delinquent agency balance and flat cancellation evils.

Renewal Rates Stay Down

The Explosion Conference at a meeting of the rate and executive committee in New York last week decided to rescind the action taken at the last meeting of applying treble rates to riot and civil commotion renewals, but will apply treble rates to new business only and normal rates will be permitted on renewals where the line has been in force a year or more. This is not in line with the Western Explosion Conference, which demands treble rates on all coal mining properties at the present time covering both renewals and new business. The eastern members felt it was unfair to unduly tax assured who had been carrying riot covers for years.

At this meeting it was also agreed after much discussion and some objection to apply treble rates in West Virginia. Until this time normal rates on bituminous mines were permitted in this field, where most of the mines are nonunion and have been for years.

The conference will consider rewriting both the explosion and the riot and civil commotion policies next fall, and meanwhile may increase the rate for dwellings containing oil burners.

Royal's Opening Ceremonies

A series of luncheons, formal and informal, marked the opening of the new headquarters building of the Royal in New York City, the affair being attended by a number of men eminent in the political, financial, legal and underwriting life of the country. In the evening home office directors and United States executives and departmental managers of the Royal, Royal Indemnity, Globe Indemnity, Queen, Liverpool & London & Globe and other allied corporations were the guests of W. R. Glazebrook, chairman of the home office board of the Royal, at a dinner at the Ritz-Carlton.

West American Reinsures

The West American of Los Angeles has reinsured in the Illinois Travelers Home Fire, Chicago, all fire business it has written through its western department, now discontinued. James W. Going had been at the head of the western department.

Buy Tyler's Interest

KALAMAZOO, MICH., April 13.—George M. Graham and Harris J. Mowry of the E. S. Rankin Agency have purchased the interest of Guy C. Tyler in the agency. Mr. Tyler has been associated for many years with the Rankin office, and has not yet definitely announced his plans for the future. The E. S. Rankin Agency is one of the oldest in Michigan. No change in its name is contemplated.

Guilty on Loss Fraud

Aloysius Sprank of Maquoketa, Ia., entered a plea of guilty to the charge of cheating by false pretenses and was fined \$100 and costs last week when a chance remark by one insurance man to another disclosed the fact that sprank had collected fire insurance from four companies when his paint and paper equipment was burned last June. He was also ordered by the court to refund between \$500 and \$600 insurance collected by him in excess of his legal allowance.

A barn belonging to Sprank was insured for \$300. In it were stored paints, paper hanging equipment, etc. The contents of the barn were insured in four companies, the policies ranging from about \$191 to \$236. When the barn burned one night he made collection on the insurance covering the barn and contents. He had also insured his automobile in several companies, and his \$3,000 house was insured for \$6,000 or more.

The Michigan State Fire Prevention Association will inspect Lapeer, April 26.

ICE COMPANY HEAD LOSES RECOVERY SUIT

HARTFORD HELD NOT LIABLE

U. S. Circuit Court Upholds District Court in Judgment on Insured's Attempt to Collect

RICHMOND, VA., April 13.—The Hartford Fire is not liable for losses sustained under two policies taken out in that company in the name of the Kimball Ice Company of Kimball, West Va., by Sol Kaufman, general manager and owner of one-fourth of the stock, United States Circuit Court of Appeals held today, affirming judgment of the district court at Bluefield. One policy covered the ice company building for \$2,800. The other, for \$8,000, covered contents. The building was burned with total loss. The insurance company denied liability on the allegation that the policy was fraudulently procured by Kaufman and the premises "wilfully and purposely burned with a view of securing the insurance money."

The lower court instructed the jury that if the burning was at the instance of Kaufman, that alone was sufficient to warrant finding a verdict for the defendant. In its opinion, the appeal court said:

Can Be No Recovery

"We are inclined to think this view is correct, and there can clearly be no recovery in the circumstances here, where the general manager of the property was the owner of one-fourth of the entire capital stock, a large creditor of the company which was wholly insolvent, who at the time of the taking out of the insurance and of the fire was in exclusive control and management of the property, the other officers and owners neither participating in nor having knowledge of what was being done with the property, or the taking out of the insurance."

"If recovery could be had in the present instance, all that would be necessary would be to turn over the property of a corporation to the exclusive management and control of a single person who could procure insurance fraudulently, and effect the wilful burning of the insured property, and assert a mere claim of innocence on the part of those interested in the company, who would thereby secure the benefit of the direct fraud."

Approve Hougaard's Appointment

At a special meeting of the Pacific Board of Fire Underwriters last week the application of the Northern of New York for approval of the appointment of John A. Hougaard of San Francisco as general agent in California for the Pacific Coast Underwriters Agency of the Northern, was considered. The application had previously been rejected by the executive committee owing to opposition, and the special meeting was the result of an appeal. After it was shown that there was no real violation of board rules and regulations in the appointment the membership voted favorably. Mr. Hougaard was general agent for the Assurance of America when it was purchased by the Northern and his appointment as general agent for the Underwriters followed.

Get the Transcontinental

The Transcontinental has appointed Simpson, Campbell & Co. of Boston, as managers of the New England department, covering Massachusetts, Maine, New Hampshire and Rhode Island for fire, automobile and inland marine. They will report to H. G. B. Alexander & Co., United States managers, at Chicago.

Planning Ohio Meeting

The executive committee of the Ohio Association of Local Agents is meeting in Columbus on Thursday of this week to consider the time and place for the annual meeting.

COMPANIES MERGE U. S. MANAGERMENTS

CONTROL TO BE COORDINATED

Royal Exchange Assurance, State Assurance New York Officials in Combination Deal

NEW YORK, April 13.—Robert Connew, head office fire manager of the Royal Exchange Assurance, and William Sinton, manager of the State Assurance Company, Ltd., who are now in this city, announce that the management of the United States business of the two companies will be coordinated as of May 1 and the New York branch of the State will on that date be transferred to the offices of the Royal Exchange at 95 Maiden Lane.

Gayle T. Forbush, United States manager of the Royal Exchange, will also assume the United States management of the State, with William Hare as associate manager. The field and office staffs of the State will be amalgamated with those of the Royal Exchange, Provident and Car & General.

Mr. Connew states the change is necessitated by the heavy and increasing expenses attendant upon the business in this country and that the maintenance of separate offices and equipment for companies under the same ownership and control (the State was acquired by the Royal Exchange two years ago) is not a sound economical proposition. The step is in line with those taken by other groups or fleets in the last few years.

No Forecast on Earthquake

SAN FRANCISCO, April 13.—No definite action has yet been taken by the Pacific Board on earthquake insurance and it is impossible at this time to forecast what will be done, if anything, according to a number of officials of the board. Various reports have been heard that rates would be increased and conditions restricted but company managers say that they have not been notified of any contemplated changes. There is considerable confusion and misgiving over this class of insurance in California, as evidenced by the wholesale cancellations reported during the past few weeks. It is reported that one company practically wiped off all of its liability while others cut their liability in half and even less. Los Angeles was the city mostly affected by the cancellations.

Field Clubs Have Joint Meeting

A joint meeting of the Western Insurance Bureau field clubs of Iowa and Nebraska was held at Council Bluffs, Ia., last week. A. G. Westerberg and E. S. Freeman were chairmen of the meeting. The principal speaker was Mr. Orchard, editor of the Council Bluffs "Nonpareil."

John Marshall, Jr., Recovering

John Marshall, Jr., vice-president of the Fireman's Fund, who has been confined to Dante Sanitarium, San Francisco, since January, is sufficiently recovered to return to his home. Mr. Marshall is showing such marked improvement that it is expected he will be back at his office within a short time.

Old Agency Merged

After having been engaged in the general insurance business in Omaha for more than 40 years, the agency of Ringwalt Bros., located in the Brandeis Theater building, has been consolidated with the long established agency of Martin Bros. & Co., effective April 1. John R. and John D. Ringwalt will be associated with the Martin Bros. & Co.

Thomas H. Anderson, Pacific coast manager of the Liverpool & London & Globe, returned this week from the east. Mr. Anderson made the trip from New York on the "Mongolia," stopping off for a short visit in Havana en route.

FIRE RETURNS BY STATES

Net Premiums Received and Losses Paid Last Year in the Various Commonwealths

F.—FIRE INSURANCE

T.—TOTAL

ARKANSAS

	Net Premiums	Losses Paid
Aetna	F. 339,715	239,613
Agricultural	F. 42,207	25,111
Alliance, Pa.	T. 46,849	30,135
American Alliance	F. 16,314	19,397
American Central	T. 20,089	19,538
American Druggist	F. 16,632	5,811
American Equitable	T. 19,100	5,938
American, N. J.	F. 73,655	35,474
Atlas	T. 80,262	41,167
Automobile	F. 4,914	5,868
Bankers, N. C.	T. 4,914	5,868
Bankers & Shippers	F. 7,362	13,556
Caledonia	T. 10,957	15,561
California	F. 204,842	127,961
Carolina	T. 261,691	140,365
Camden	F. 45,373	25,315
Citizens, Mo.	T. 53,899	25,545
City of N. Y.	F. 116,974	129,396
Columbia, N. J.	T. 193,095	172,031
Com. Union, Eng.	F. 10,121	367
Com. Union, N. Y.	T. 11,018	367
Commonwealth, N. Y.	F. 63,104	23,711
Concordia	T. 70,442	25,526
Continental, N. Y.	F. 179	4
Detroit	T. 2,286	1,105
East & West	F. 3,020	1,122
Equitable, R. L.	T. 9,146	6,013
Equity, Mo.	F. 11,835	6,023
Export	T. 58,196	57,108
Farm, Tri Co., Ark.	F. 70,430	61,318
Federal, N. J.	T. 65,762	32,773
Fidelity Phenix	F. 71,159	33,235
Fidelity Union	T. 54,953	35,903
Fire Association	F. 64,881	37,561
Fireman's Fund	T. 18,008	9,007
Firemen's, N. J.	F. 19,731	9,074
Franklin	T. 129,003	100,219
General Exchange	F. 153,759	100,438
Globe & Rutgers	T. 24,452	17,514
Globe & Rutgers	F. 28,794	18,102
Great American	T. 1,996	1,128
Hard Deal, Wis.	F. 2,983	2,460
Harmonia	T. 318	16
Hartford	F. 127,104	123,202
Home, Ark.	T. 141,916	127,729
Home F. & M., Cal.	F. 21,820	10,027
Home, N. Y.	T. 24,656	10,217
Homestead, Md.	F. 2,286	601
Hudson	T. 3,952	601
Imperial, N. Y.	F. 9,404	5,375
Importers & Exporters	T. 10,952	5,564
Indem. Mut., Mass.	F. 1,817	27
Ind. Lumb. M.	T. 342	17,902
Ins. Co. of N. Amer.	F. 40,381	17,902
Ins. Co. State Pa.	T. 12,129	4,853
La Salle	F. 6,397	5,087
L. & L. & G., Eng.	T. 119,509	72,998
London & Lanc., Eng.	F. 129,237	76,203
Lumber Mut., Mass.	T. 15,170	12,782
Lumberman's M., O.	F. 21,918	24,505
Mechanics & Traders	T. 117,505	92,745
	F. 131,085	96,759
	T. 105,659	59,454
	F. 112,019	58,835
	T. 420,008	347,086
	F. 575,057	418,774
	T. 107,694	56,123
	F. 138,540	66,113
	T. 80,267	19,204
	F. 95,565	55,437
	T. 115,541	58,075
	F. 81,382	67,387
	T. 104,985	82,749
	F. 47,438	26,598
	T. 55,183	27,828
	F. 104,729	119,159
	T. 200,374	146,504
	F. 197,701	130,949
	T. 220,445	131,524
	F. 33,046	16,817
	T. 35,064	17,319
	F. 6,550	2,273
	T. 8,393	2,283
	F. 392,102	429,165
	T. 479,465	452,443
	F. 306,623	199,177
	T. 443,355	266,631
	F. 18,844	13,102
	T. 18,989	13,103
	F. 538,275	329,094
	T. 733,962	401,934
	F. 2,029	1,556
	T. 2,879	1,556
	F. 1,397	1,267
	T. 1,471	2,599
	F. 8,528	1,133
	T. 15,501	31,203
	F. 20,254	32,734
	T. 3,626	2,482
	F. 7,987	11,687
	T. 9,429	11,725
	F. 160,674	174,631
	T. 203,253	202,427
	F. 32,667	13,913
	T. 36,886	14,074
	F. 3,017	39
	T. 97,136	77,645
	F. 109,357	81,364
	T. 50,195	24,221
	F. 55,038	24,504
	T. 8,607	8,738
	F. 9,507	8,738
	T. 10,239	8,738
	F. 23,059	19,329
	T. 24,780	19,387



An aggressive though conservative company, designed to be constructive, unselfish and thoroughly human. And Trinity Service doesn't end with the design.

CAPITAL \$650,000.00
SURPLUS TO
POLICYHOLDERS \$1,276,435.40

1899

JOHN H. GRIFFIN, President

1927

NORTHWESTERN

FIRE AND MARINE INSURANCE COMPANY
MINNEAPOLIS, MINNESOTA

Isn't it worth while

To know that you have a
company in your agency
that has the facilities
and desire to serve
you completely and
satisfactorily?

Fire Tornado Lightning Automobile Hail Rents Use and Occupancy

Scottish Union & National
Insurance Company

HARTFORD, CONNECTICUT

Assets, \$9,693,251.89 Liabilities \$5,543,045.74
Policy Holders' Surplus, \$4,150,206.15

WRITES

Fire, Tornado, Automobile, Rents,
Sprinkler Leakage, Use and Occupancy,
Explosion, Riot and Civil Commotion

J. H. VREELAND, Manager

J. H. McCORMICK, Secretary

(CONTINUED ON NEXT PAGE)

(CONT'D FROM PRECEDING PAGE)

	Net Premia	Losses Paid		Net Premia	Losses Paid		Net Premia	Losses Paid		Net Premia	Losses Paid
County, Pa.	F. 863	731	Franklin Nat.	F. 1,404	46	Swiss Reins.	F. 28,916	6,821	Alliance	F. 18,905	8,890
Eagle St. & B. D.	F. 6,975	7,911	General, France	T. 1,407	46	Tokio M. & T.	T. 29,273	6,893	Atlantic Mut.	T. 23,136	10,142
Eureka Security	T. 7,290	7,915	Georgia Home	F. 1,550	429	United American	F. 11,353	2,455	Birmingham	F. 7	843
Fire Reassur.	F. 20,670	20,866	Glen Cove Mut.	F. 2,969	853	United Firemen's	F. 9,171	673	Commerce, N. Y.	F. 8,066	2,415
Guardian, N. Y.	F. 7,623	1,021	General Exchange	T. 796	13,426	United States	F. 19,722	3,183	Central Mt. Mut., O.	F. 19,891	3,521
Hamburg-American	T. 5,416	273	Globe, Pa.	F. 13,247	3,086	Urbanine	T. 24,510	4,622	Christian Gen.	F. 25,984	6,272
Hanover	F. 3,063	2,805	Globe & Rutgers	F. 125,260	21,571	Utah Home	F. 41,986	8,217	Citizens, Mo.	F. 20,549	6,656
International	F. 21,370	45,915	Granite State	F. 185,901	74,466	Westchester	F. 51,482	3,878	Concordia	F. 26,326	6,272
Jupiter General	F. 2,447	1,396	Great American	F. 125,260	5,847	Wheeling	F. 42,275	15,780	Central Fed., Iowa	F. 20,549	6,656
Kyodo	F. 2,697	.....	Hamburg Amer.	F. 125,260	5,847	World Auxiliary	F. 24,510	7,301	Detroit F. & M.	F. 18,020	5,331
Lincoln, N. Y.	F. 2,447	1,396	Hanover	F. 141,992	33,957	Atlas	F. 16,927	7,301	Dixie	F. 18,431	5,331
New India	F. 6,528	7,738	Home F. & M.	F. 24,264	4,621	American Eagle	F. 72,375	19,380	East & West	F. 2,742	444
Nippon	F. 2,415	440	Imperial, N. Y.	F. 7,433	4,416	British Gen.	F. 73,275	25,532	Franklin, Pa.	F. 2,755	244
North Star	F. 13,591	12,952	Indem. Mut. Mar.	T. 8,897	6,892	City of Pa.	F. 17,691	1,457	Firemen's, N. J.	F. 16,970	4,427
Norwich Union	F. 7,674	5,562	Independence	T. 1,080	.....	Bankers & Shippers	F. 33,062	11,523	Girard, F. & M.	F. 29,656	19,779
Osaka M. & F.	F. 9,812	5,576	Ins. Co. No. Amer.	T. 129,943	84,117	California	F. 5,403	3,676	Hartford	F. 55,787	11,628
Pilot, N. Y.	T. 537	1,192	Ins. Co. State Pa.	F. 55,915	20,460	Camden	F. 19,472	6,471	Home, N. Y.	F. 17,792	5,082
Pruden. Re & Co.	T. 106,457	58,000	International	F. 27,594	14,321	Carolina	F. 20,102	7,142	Hardw. Dl. Mut.	F. 18,148	2,062
Prudential	F. 7,719	1,422	Iroquois	T. 27,851	14,321	Commerce, N. Y.	F. 23,418	14,116	Importers & Exporters	F. 194,359	52,729
Salamandra	F. 14,449	24,762	Jupiter General	F. 2,221	1,676	Commonwealth, N. Y.	F. 38,227	15,207	Inter Ocean Reins.	F. 381,132	195,578
Rossia	F. 45,399	52,192	Kyodo	F. 1,217	1,737	Caledonian	F. 145,677	50,096	Lumbermen's, Pa.	T. 145,677	50,096
Skaidia	F. 53,323	52,279	Lumber Mut., O.	F. 6,922	1,247	Columbian National	F. 37,579	10,788	Mechanics, Pa.	T. 37,579	10,788
Skandinavia	F. 16,542	17,011	Maryland	F. 7,777	2,009	East & West	F. 51,428	16,141	Nat. Ben Franklin	F. 3,982	498
Swiss Reinsur.	F. 84,514	48,319	Mass. F. & M.	F. 1,292	276	Excelsior	F. 41,169	10,767	Northern, Eng.	F. 8,046	2,480
Un. & Phen. Exp.	F. 93,061	49,347	Mech. & Traders	F. 1,332	276	Fire Assn., Pa.	F. 51,428	16,141	Palmetto, S. C.	F. 8,357	2,546
World Auxiliary	F. 7,992	5,124	Merchants, N. Y.	F. 10,976	1,655	First American	F. 2,742	246	Prudential Re. & Co.	F. 9,672	1,769
Urbaine	T. 22,633	9,665	Merchants, R. I.	F. 15,261	17,923	Glen Falls	F. 79,935	24,848	Superior, Pa.	F. 85,169	24,848
			Mich. F. & M.	F. 35,530	31,174	Great Lakes	F. 15,953	1,656	Union Marine	F. 15,972	1,875
			Millers Nat., Ill.	F. 7,760	2,844	Guaranty, R. I.	F. 41,709	10,676		F. 41,709	10,676
			Millers Mut., Tex.	F. 7,760	2,844	Hampton Roads	F. 17,559	6,453		F. 17,559	6,453
			Millwaukee Mech.	F. 5,662	459	Henry Clay	F. 36,960	9,311		F. 36,960	9,311
			Minn. Impl. M.	F. 4,113	1,637	Hudson	F. 45,327	12,246		F. 45,327	12,246
			Nat. American, Neb.	F. 41,501	9,122	Law Un. & Rock	F. 2,042	210		F. 2,042	210
			National, Conn.	F. 12,873	3,192	Liberty Bell	F. 2,042	210		F. 2,042	210
			Nat. Impl. Mut.	F. 13,338	3,274	Lincoln, N. Y.	F. 3,924	311		F. 3,924	311
			Nat. Reserve, Ill.	F. 7,676	985	L. & L. & G.	F. 8,892	14,292		F. 8,892	14,292
			Nat. Security	F. 7,821	985	London & Lancashire	F. 8,926	14,301		F. 8,926	14,301
			Netherlands	F. 23,585	4,923	London & Provincial	F. 1,243	241		F. 1,243	241
			New Zealand	F. 2,175	1,298	London & Scottish	F. 1,253	241		F. 1,253	241
			North River	F. 2,205	1,298	Marine, Eng.	F. 35,727	6,565		F. 35,727	6,565
			Northern, N. Y.	F. 22,836	12,632	Mercantile, N. Y.	F. 15,829	6,362		F. 15,829	6,362
			Transcontinental	F. 33,040	12,632	Metrop. Nat., Cuba	F. 38,072	21,454		F. 38,072	21,454
			Twin City	F. 25,615	9,453	National Union	F. 3,239	1,498		F. 3,239	1,498
			Union, England	F. 30,291	10,810	Newark	F. 2,800	2,698		F. 2,800	2,698
			Union, France	F. 24,112	15,089	New Brunswick	F. 2,970	4,571		F. 2,970	4,571
			Union & Phen. Exp.	F. 30,473	15,622	New England	F. 6,798	4,571		F. 6,798	4,571
			Northwestern F. & M.	F. 671	45	New Hampshire	F. 6,924	11,922		F. 6,924	11,922
			Northw. Mut., Wash.	F. 1,880	1,097	New India	F. 61,785	12,564		F. 61,785	12,564
			Norwich Union	F. 4,526	1,097	Nippon	F. 65,648	12,564		F. 65,648	12,564
			Ohio Farmers	F. 4,965	2,73	No. Brit. & Merc.	F. 38,286	18,222		F. 38,286	18,222
			Ohio Hardw. Mut.	F. 9,445	6,671	N. C. Home	F. 15,231	4,311		F. 15,231	4,311
			Old Colony, Mass.	F. 9,790	1,204	Northwest National	F. 18,063	4,775		F. 18,063	4,775
			Palatine	F. 7,936	760	Ohio Mt. Mut.	F. 10,703	3,729		F. 10,703	3,729
			Pawtucket Mut.	F. 7,936	760	Orient	F. 17,122	5,640		F. 17,122	5,640
			Pennsylvania	F. 12,534	2,983	Osaka M. & F.	F. 1,204	1,829		F. 1,204	1,829
			Philadelphia F. & M.	F. 12,687	2,983	Patriotic	F. 5,314	3,733		F. 5,314	3,733
			Phoenix, England	F. 10,281	1,603	Potomac	F. 2,342	1,615		F. 2,342	1,615
			Phoenix, Conn.	F. 10,281	1,603	Pa. Millers Mut.	F. 39,043	7,253		F. 39,043	7,253
			Pilot Reins.	F. 10,281	1,603	Peoples National	F. 1,533	666		F. 1,533	666
			Potomac	F. 10,281	1,603	Preferred Risk	F. 12,791	9,147		F. 12,791	9,147
			Providence Wash.	F. 22,878	7,316	Safeguard	F. 50,417	27,181		F. 50,417	27,181
			Provident, N. H.	F. 25,273	11,096	Savannah	F. 40,700	10,255		F. 40,700	10,255
			Prudential	F. 41,200	13,328	Sea	F. 50,611	13,348		F. 50,611	13,348
			Queen	F. 52,810	15,794	Skandia	F. 5,124	2,076		F. 5,124	2,076
			Reliable, O.	F. 863	134	Southern Home	F. 260	134		F. 260	134
			Reliable, Pa.	F. 5,807	4,263	Stuyvesant	F. 48,118	11,561		F. 48,118	11,561
			Republie	F. 5,841	4,263	Travelers Fire	F. 49,183	11,589		F. 49,183	11,589
			Rhode Island	F. 22,257	6,462	Union of Canton	F. 5,278	1,228		F. 5,278	1,228
			Rocky Mountain	F. 24,636	8,068	U. S. Merch. & Ship.	F. 5,352	1,251		F. 5,352	1,251
			Royal Exchange	F. 3,400	3,143	Victory	F. 3,108	1,808		F. 3,108	1,808
			Royal	F. 31,153	13,277	Western, Canada	F. 3,143	1,808		F. 3,143	1,808
			Sentinel	F. 37,642	18,006	World F. & M.	F. 6,223	14,786		F. 6,223	14,786
			Skandinavia	F. 37,642	18,006	Yorkshire	F. 106,631	40,789		F. 106,631	40,789
			South British	F. 4,438	4,438	Amer. Equitable	F. 1,730	235		F. 1,730	235
			South Carolina	F. 11,293	4,979		F. 1,754	235		F. 1,754	235
			Springfield F. & M.	F. 26,093	6,575		F. 7,258	2,938		F. 7,258	2,938
			Standard, Conn.	F. 19,537	19,537		F. 46,268	8,987		F. 46,268	8,987
			Standard, N. Y.	F. 82,793	21,331		F. 5,524	.....		F. 5,524	.....
			Star	F. 1,401	407		F. 17,872	2,871		F. 17,872	2,871
			St. Paul F. & M.	F. 26,203	6,514		F. 19,791	3,184		F. 19,791	3,184
				F. 34,424	10,292		F. 196	419		F. 196	419
				F. 33,111	14,752		F. 194	419		F. 194	419
				F. 69,338	22,039		F. 2,917	75		F. 2,917	75
				F. 402	30		F. 3,815	207		F. 3,815	207
				F. 455	40		F. 26,203	6,514		F. 26,203	6,514
				F. 10,288	2,877		F. 34,424	10,292		F. 34,424	10,292
				F. 10,383	2,882		F. 5,132	10,056		F. 5,132	10,056
				F. 36,239	14,752		F. 5,132	10,056		F. 5,132	10,056
				F. 47,907	18,014		F. 10,905	3,632		F. 10,905	3,632
				F. 447	208		F. 10,933	3,632		F. 10,933	3,632
				F. 466	209		F. 753	221		F. 753	221
				F. 4,961	3,530		F. 790	121		F. 790	121
				F. 6,619	4,671		F. 8,608	1,204		F. 8,608	1,204
				F. 11,442	2,937		F. 992	291		F. 992	291
				F. 2,928	2,928		F. 259	3		F. 259	3
				F. 19,568	3,215		F. 6,307	1,051		F. 6,307	1,051
				F. 19,698	3,215		F. 3,592	759		F. 3,592	759
				F. 70	27		F. 3,613	760		F. 3,613	760
				F. 24,806	6,312		F. 20,884	6,604		F. 20,884	6,604
				F. 27,316	7,937		F. 22,166	6,740		F. 22,166	6,740
				F. 55,808	14,666		F. 24,723	1,479		F. 24,723	1,479
				F. 63,291	16,461		F. 30,604	3,322		F. 30,604	3,322
				F. 12,155	3,036		F. 36,402	2,472		F. 36,402	2,472
				F. 12,280	3,043		F. 42,015	3,902		F. 42,015	3,902
				F. 8,736	4,041		F. 15,886	2,730		F. 15,886	2,730
				F. 8,769	.....		F. 17,177	4,911		F. 17,177	4,911
				F. 376	110		F. 2,850	907		F. 2,850	907
				F. 395	110		F. 4,556	1,077		F. 4,556	1,077
				F. 106,822	47,263		F. 4,960	1,659		F. 4,960	1,659
				F. 155,931	88,759		F. 6,619	2,800		F. 6,619	2,800
				F. 19,043	3,403		F. 7,605	2,403		F. 7,605	2,403

1927

	Net Premium	Losses Paid
Concordia	F. 111,363	68,396
Connecticut	F. 126,056	70,652
Continental	F. 111,702	43,906
County, Pa.	F. 134,765	47,395
Delaware	F. 598,626	325,756
Dubuque	F. 824,655	405,560
East & West	F. 19,924	9,861
Employers, Mass.	F. 23,998	10,227
Equitable, R. I.	F. 3,341	958
Equity, Mo.	F. 4,708	958
Eureka-Security	F. 26,815	8,002
Export	F. 42,642	8,440
Federal, N. J.	F. 2,195	914
Fidelity-Phenix	F. 2,303	925
Fire Association	F. 55,190	12,894
Fireman's Fund	F. 63,786	13,418
Firemens, N. J.	F. 3,394	246
First American	F. 4,058	319
Franklin, Pa.	F. 10,492	3,916
Franklin National	F. 12,390	4,327
General Exchange	F. 25,532	8,276
General, Wash.	F. 44,000	20,927
Globe	F. 22,331	8,781
Globe & Rutgers	F. 26,929	9,480
Globe State	F. 5,990	188
Great American	F. 26,109	8,544
Great Lakes	F. 35,676	11,962
Guaranty, R. I.	F. 7,979	304
Guardian	F. 9,597	86,591
Hanover	F. 11,041	2,430
Harmonia	F. 15,107	2,925
Hartford	F. 544,083	282,140
Henry Clay	F. 769,621	343,298
Home F. & M.	F. 98,653	46,284
Home, N. Y.	F. 127,761	47,665
Homestead, Md.	F. 144,928	68,832
Hudson	F. 199,006	84,184
Illinois	F. 174,701	87,826
Imperial	F. 224,281	107,539
Importers & Exporters	F. 7,507	2,142
Independence	F. 9,174	2,916
Ins. Co. of N. Amer.	F. 139,888	78,293
Ins. Co. State Pa.	F. 191,322	98,419
Inter-Ocean Reins.	F. 62,743	20,385
Kalckerbocker	F. 110,976	50,710
Lincoln	F. 5,531	284
Manhattan F. & M.	F. 6,522	288
Maryland	F. 131,993	37,313
Mass. F. & M.	F. 16,324	223
Mechanics, Pa.	F. 17,232	242
Mercantile	F. 51,934	26,379
Mechanics & Traders	F. 62,160	27,125
Merchants, N. Y.	F. 165,537	69,787
Merchants, Colo.	F. 204,612	96,326
Merchants, R. I.	F. 17,559	12,494
Metropolitan	F. 16,154	12,495
Milwaukee Mech.	F. 389,880	187,806
Nat. Ben Franklin	F. 453,389	213,130
National, Conn.	F. 25,334	7,487
National Liberty	F. 28,044	8,504
National Reserve	F. 274,769	188,855
National Security	F. 330,658	204,477
National Union	F. 24,517	13,572
Newark	F. 42,355	32,055
New Brunswick	F. 10,113	2,597
New Hampshire	F. 11,247	2,608
New Jersey	F. 31,400	11,657
New York	F. 32,995	11,725
N. Y. Underwriters	F. 89,653	29,098
Niagara	F. 128,549	43,659
Northern, N. Y.	F. 4,651	47
North River	F. 659,448	409,422
Northw. F. & M.	F. 893,508	473,543
Northwestern Natl.	F. 14,986	17,161
Ohio	F. 24,374	21,240
Ohio Farmers	F. 27,239	11,511
Ohio Hardware M.	F. 29,925	11,881
Ohio Millers M.	F. 909,238	385,312
Ohio Mutual	F. 1,261,392	505,394
Ohio Und. M.	F. 1,007	50
Pawtucket M.	F. 1,762	50
Pa. Lumbermen's M.	F. 14,335	1,527
Pa. Millers M.	F. 17,356	2,530
Ret. Druggists M., O.	F. 17,400	9,788
Ret. Hardw. M., Minn.	F. 20,782	10,152
Security M., Minn.	F. 14,236	3,999
United M., Mass.	F. 14,540	4,224
Western M., O.	F. 20,825	38,203
	F. 22,859	31,380
	F. 5,531	311
	F. 433,609	201,959
	F. 638,889	289,916
	F. 103,453	83,574
	F. 130,841	89,567
	F. 33,052	4,835
	F. 72,720	16,355
	F. 10,089	6,474
	F. 10,476	6,474
	F. 22,697	20,749
	F. 25,374	28,977
	F. 5,575	3,526
	F. 6,883	4,065
	F. 51,860	24,414
	F. 31,165	10,386
	F. 34,797	10,791
	F. 38,401	20,799
	F. 42,478	21,054
	F. 33,926	11,964
	F. 48,732	17,665
	F. 35,770	18,872
	F. 42,917	21,109
	F. 66,596	10,263
	F. 73,055	10,572
	F. 9,686	3,862
	F. 10,512	3,875
	F. 15,943	8,262
	F. 17,856	11,963
	F. 17,024	4,720
	F. 20,666	4,818
	F. 24,761	13,328
	F. 27,405	14,016
	F. 117,229	75,222
	F. 138,714	84,482
	F. 78,284	30,462
	F. 88,943	31,290
	F. 500,006	247,679
	F. 838,719	347,934
	F. 262,865	134,053
	F. 359,161	157,085
	F. 30,017	8,387
	F. 32,785	8,697
	F. 1,254	66
	F. 3,884	568
	F. 146,871	138,304
	F. 301,453	233,186
	F. 54,841	39,256
	F. 69,557	44,749
	F. 26,101	12,351
	F. 29,085	12,742
	F. 100,379	50,358
	F. 112,440	52,078
	F. 16,222	16,510
	F. 19,422	19,183

	Net Premium	Losses Paid
New York	F. 2,302	31
N. Y. Underwriters	F. 2,399	2,699
Niagara	F. 225,897	102,402
Northern, N. Y.	F. 250,045	111,744
North River	F. 204,630	121,471
Northw. F. & M.	F. 241,717	130,762
Northwestern Natl.	F. 86,964	37,299
Ohio	F. 99,746	38,104
Ohio Farmers	F. 138,602	56,191
Ohio Hardware M.	F. 165,892	68,900
Ohio Millers M.	F. 1,891	89
Ohio Mutual	F. 2,368	34,551
Ohio Und. M.	F. 80,509	47,725
Pawtucket M.	F. 117,866	4,401
Pa. Lumbermen's M.	F. 1,313	1,401
Pa. Millers M.	F. 1,793	1,401
Ret. Druggists M., O.	F. 125,931	67,553
Ret. Hardw. M., Minn.	F. 130,084	67,883
Security M., Minn.	F. 6,052	4,672
United M., Mass.	F. 6,276	4,685
Western M., O.	F. 26,803	16,508
	F. 37,543	16,540
	F. 4,715	57
	F. 3,562	1,841
	F. 3,575	1,841
	F. 6,794	1,849
	F. 42,494	34,816
	F. 47,979	35,132
	F. 26,958	9,680
	F. 38,802	26,694
	F. 42,511	27,035
	F. 15,187	4,518
	F. 15,425	4,522
	F. 1,185	6,334
	F. 7,550	6,334
	F. 82,009	76,358
	F. 87,867	76,939
	F. 5,915	5,489
	F. 6,101	5,489
	F. 28,700	4,509
	F. 30,462	8,615
	F. 26,461	10,214
	F. 26,928	10,262
	F. 95,266	115,288
	F. 103,882	117,222
	F. 34,268	14,614
	F. 32,967	14,828
	F. 24,864	14,021
	F. 30,734	14,428
	F. 18,012	6,843
	F. 20,873	6,884
	F. 22,455	14,066
	F. 17,679	16,689
	F. 19,207	8,444
	F. 19,207	8,444
	F. 11,847	4,696
	F. 12,264	4,696
	F. 42,827	24,727
	F. 50,029	27,787
	F. 320,553	168,599
	F. 405,786	265,811
	F. 19,034	12,990
	F. 19,442	13,001
	F. 14,464	11,607
	F. 15,032	11,605
	F. 4,657	4,835
	F. 4,657	6,825
	F. 15,911	21,150
	F. 16,101	21,151
	F. 7,457	4,209
	F. 49,994	9,941
	F. 19,575	6,685
	F. 19,706	6,685
	F. 33,322	3,927
	F. 80,201	32,177
	F. 86,733	32,340
	F. 2,880	5,106
	F. 3,074	5,156
	F. 17,506	9,139
	F. 18,219	9,151
	F. 27,967	22,138

IOWA

	Net Premium	Losses Paid
Commercial Un., N. Y.	F. 10,399	5,215
California	F. 12,774	5,696
Savannah	F. 6,860	7,907
U. S. Merch. & Ship.	F. 9,413	9,427
Republic, Pa.	F. 2,218	1,330
People's National	F. 2,450	1,339
Northern, N. Y.	F. 11,046	11,604
Jupiter General	F. 16,915	12,807
Allemania	F. 10,755	4,019
Buffalo	F. 12,194	4,041
Caledonian	F. 2,807	517
Citizens Fund Mut.	F. 2,959	519
Camden	F. 11,086	7,630
Carolina	F. 13,344	7,630
Central Federal	F. 1,607	4,065
Dubuque F. & M.	F. 1,423	4,129
Westchester	F. 12,758	4,601
Ret. Hdwr. Mut., Minn.	F. 14,826	4,643
Continental	F. 30,946	11,702
Union Assur.	F. 31,864	11,843
St. Paul F. & M.	F. 13,673	8,042
Farmers, Pa.	F. 18,962	8,804
Ohio Hdwr. Mut.	F. 19,156	8,807
Ohio Farmers	F. 44,311	23,814
Home F. & M.	F. 51,209	23,857
Equitable, S. C.	F. 3,171	73
Inter-Ocean	F. 3,929	75
New York Und.	F. 22,943	7,994
	F. 40,204	12,471
	F. 117,306	57,380
	F. 140,299	57,741
	F. 51,465	24,860
	F. 57,766	35,666
	F. 72,320	21,241
	F. 78,934	21,936
	F. 337,562	230,948
	F. 478,211	268,066
	F. 14,614	7,384
	F. 18,376	7,766
	F. 196,586	99,755
	F. 305,981	123,695
	F. 18,247	11,106
	F. 15,480	11,115
	F. 11,654	9,464
	F. 12,365	9,460
	F. 2,428	6,310
	F. 1,857	6,407
	F. 20,374	10,592
	F. 24,882	10,688
	F. 1,199	175
	F. 1,315	176
	F. 56,907	28,602
	F. 146,508	91,598
	F. 153,314	75,426
	F. 194,087	85,707

(CONTINUED ON NEXT PAGE)

Engineers Who Know!

Can you picture a construction engineer saying, "Oh, that girder will hold all right. I don't think the stress is great?" Absurd, you say—granted. Men who build bridges and skyscrapers don't guess—they know.

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THE COLUMBIAN NATIONAL FIRE INSURANCE COMPANY

of Lansing, Michigan

Fire Windstorm Rents Use & Occupancy

(CONT'D FROM PRECEDING PAGE)

	Net Premia	Losses Paid		Net Premia	Losses Paid		Net Premia	Losses Paid		Net Premia	Losses Paid
West. Grain Deal.	F. 104,188	42,433	Cannex Ex., Ill.	F. 28,294	6,856	Commonwealth F. & M.	F. 8,998	2,678	Queen	F. 70,110	26,420
State of Pa.	F. 108,955	42,475	N. Y. Recip. Und.	F. 6,185	6,856	Commonwealth, N. Y.	F. 12,129	3,262	Reliance	F. 100,623	38,525
Retailers, Okla.	F. 78,212	38,336	Individ. Und., N. Y.	F. 6,186	6,856	Concordia	F. 70,722	35,262	Retailers, Okla.	F. 6,392	1,963
National American	F. 164	1,393	Affil. Und., N. Y.	F. 7,140	1,574	Connecticut	F. 42,674	18,015	Rhode Island	F. 590	984
Palatine	F. 33,809	17,485	Ret. Lumb. Ex., Minn.	F. 34,565	12,935	Continental	F. 174,085	64,780	Rhode Island	F. 726	1,081
Tokio F. & M.	F. 22,222	18,245	Hardware Und., Ill.	F. 5,006	3,552	County, Pa.	F. 223,977	118,960	Safeguard	F. 28,326	14,240
Rhode Island	F. 27,947	13,365	Under. Exch., Mo.	F. 3,584	.....	Delaware	F. 346,750	159,608	St. Paul F. & M.	F. 4,825	1,261
Springfield	F. 3,960	3,697	U. R. M. Under., Minn.	F. 4,401	248	Dubuque F. & M.	F. 17,269	2,164	Security, Conn.	F. 211,432	74,108
Milwaukee Mech.	F. 6,790	4,298	Sprink. Risk Und., Ill.	F. 5,649	270	East and West	F. 6,122	2,227	Standard American	F. 788,519	397,879
National	F. 33,706	29,108	Drug. Ind. Ex., Mo.	F. 1,436	.....	Employers', Mass.	F. 11,508	2,669	Transcontinental	F. 80,778	35,086
Eagle Star & B. D.	F. 42,980	29,280	West. Recip. Und., Mo.	F. 1,698	.....	Equitable F. & M.	F. 10,385	3,755	Travelers Fire	F. 396,369	259,847
State Assurance	F. 201,905	100,867	Univ. Und., Mo.	F. 401	.....	Eureka Security	F. 9,022	3,721	Twin City	F. 10,557	29
Agricultural	F. 112,124	35,718	Amer. Exch., N. Y.	F. 1,114	.....	Export Federal	F. 10,385	3,755	United Firemen's	F. 424,549	146,853
Fitchburg Mut.	F. 288,302	177,951	Int.-Ins. Exch., Mo.	F. 1,286	.....	Federal Union	F. 875	4	United States	F. 708,813	265,160
Standard, Conn.	F. 527,408	226,448	Warner Recip., Ill.	F. 1,591	.....	Fidelity-Phenix	F. 4,159	469	U. S. Merc. & Ship.	F. 579	2,119
Rocky Mountain	F. 29,336	18,002	Prudential	F. 554	.....	Fidelity Union	F. 6,193	846	Victory, Pa.	F. 714	1,234
North River	F. 38,071	21,048	Atlas	F. 1,275	.....	Fire Association	F. 1,575	1,623	Westchester	F. 13,657	2,860
Northwestern Natl.	F. 7,758	3,600	British America	F. 2,868	.....	Fireman's Fund	F. 3,362	1,623	Western, Kan.	F. 21,651	9,589
Union, France	F. 9,920	3,695	Caledonia	F. 11,756	3,503	Firemen's, N. J.	F. 34,007	12,955	World F. & M.	F. 3,750	1,927
Millers Mut., Ill.	F. 52,917	16,498	Com. Union, Eng.	T. 12,351	3,549	Franklin	F. 62,591	23,782			
Indiana Lumb.	F. 66,204	20,496	Eagle St. & B. D.			Franklin National	F. 9,520	1,246			
United States	F. 7,506	3,219	Law Un. & Rock			General Exchange	F. 9,520	1,246			
Berkshire Mut.	F. 7,540	3,219	L. & L. & G.			Globe & Rutgers	F. 1,563	462			
Philadelphia F. & M.	F. 9,965	5,968	London Assur.			Globe & Rutgers	F. 1,563	462			
Ins. Co. No. Am.	F. 12,050	6,076	London & Lanc.			Granite State	F. 1,563	462			
Federal Union	F. 2,754	2,730	London & Scottish			Great American	F. 1,563	462			
Reliable, O.	F. 2,965	2,730	Marine, England			Hanover	F. 1,563	462			
Skandia	F. 125,390	67,951	Netherlands			Henry Clay	F. 1,563	462			
Detroit National	F. 157,786	67,193	N. Brit. & Merc.			Home F. & M.	F. 1,563	462			
Hanover	F. 63,882	31,880	Northern, Eng.			Home, N. Y.	F. 1,563	462			
Maryland	F. 141,506	50,916	Norwich Union			Hudson	F. 1,563	462			
Michigan F. & M.	F. 12,990	14,699	Palatine			Imperial	F. 1,563	462			
American Natl.	F. 8,359	9,779	Phoenix, Eng.			Independence	F. 1,563	462			
City of New York	F. 2,858	9,779	Royal Exchange			Ins. Co. of N. A.	F. 1,563	462			
Columbian Natl.	F. 882	.....	Royal			Ins. Co. State Pa.	F. 1,563	462			
United American	F. 223,710	107,132	Scottish U. & N.			Iroquois	F. 1,563	462			
Minnesota Implement	F. 297,242	117,697	State, Eng.			Lumbermen's, Pa.	F. 1,563	462			
Iowa Natl.	F. 12,996	2,914	Sun, Eng.			Maryland	F. 1,563	462			
Union of Canton	F. 7,221	5,716	Sven F. & L.			Mass. F. & M.	F. 1,563	462			
Phoenix, Conn.	F. 24,952	14,944	Swiss Reins.			Mechanics, Pa.	F. 1,563	462			
L. & L. & G.	F. 46,100	14,572	Union, England			Mechanics & Traders	F. 1,563	462			
Sun	F. 30,324	14,702	Union, France			Merchants, R. I.	F. 1,563	462			
Automobile, Conn.	F. 41,960	20,526	Union, China			Mercantile	F. 1,563	462			
Norwich Union	F. 92,343	15,932	Urbaine			Mercury	F. 1,563	462			
National Union	F. 173,383	159,101	Western, Ontario			Milwaukee Mech.	F. 1,563	462			
British General	F. 39,857	18,229	World Auxiliary			Nat. Ben Franklin	F. 1,563	462			
Northwest, Mut., Wash.	F. 179,773	83,510	Aetna			National, Conn.	F. 1,563	462			
Urbaine	F. 9,020	1,857	Agricultural			National Liberty	F. 1,563	462			
Lumber Mut., Mass.	F. 1,099	.....	Allemania			National Security	F. 1,563	462			
Indemnity Mut., N. Y.	F. 2,001	556	Alliance			National Union	F. 1,563	462			
Globe	F. 199	245	American Alliance			New Brunswick	F. 1,563	462			
Equity, Mo.	F. 3,597	1,147	Amer. Automobile			New Hampshire	F. 1,563	462			
Guardian, N. Y.	F. 20,652	9,491	American Equitable			N. Y. Underwriters	F. 1,563	462			
Ohio Millers Mut.	F. 21,311	9,561	American, N. J.			Newark	F. 1,563	462			
Henry Clay	F. 4,288	13,556	American National, O.			Niagara	F. 1,563	462			
Farm. Mut., Ia.	F. 3,824	742	Automobile			North River	F. 1,563	462			
Farm. Nat. Coop., Ia.	F. 11,952	14,625	Baltimore Amer.			Northwestern F. & M.	F. 1,563	462			
Farm. Prop. Mut., Ia.	F. 60,427	26,912	Bankers & Shippers			Northw. National	F. 1,563	462			
Home Mut., Ia.	F. 62,868	34,422	Boston			Old Colony, Mass.	F. 1,563	462			
Ia., Farm. Mut.	F. 163,684	59,786	Caledonian American			Orient	F. 1,563	462			
Ia. Imple. Mut.	F. 119,051	98,397	California			Patriotic	F. 1,563	462			
Ia. Merc. Mut.	F. 61,011	26,795	Camden			Pennsylvania	F. 1,563	462			
Le Mars Mut., Ia.	F. 21,446	7,647	Central Federal			Phila. F. & M.	F. 1,563	462			
Luth. Mut., Ia.	F. 39,617	12,613	Chicago F. & M.			Phoenix, Conn.	F. 1,563	462			
Mut. F. & St., Ia.	F. 13,601	6,934	Citizens, Mo.			Potomac	F. 1,563	462			
Mut. F. & T., Ia.	F. 19,157	7,602	City of N. Y.			Preferred Risk	F. 1,563	462			
Mut. Assn., Ia.	F. 68,634	34,409	Columbia, N. J.			Providence Wash.	F. 1,563	462			
Nat. Dru., Mut., Ia.	F. 98,651	39,236	Columbian National			Provident, N. Y.	F. 1,563	462			
Town Mut. Dw., Ia.	F. 12,700	5,841	Commerce								
Ia. Mut. Cas.	F. 371,080	125,128	Cpm. Union, N. Y.								
Ia. Mut. Tonn.	F. 503,452	129,445									
Des Moines Mut.	F. 891,596	108,164									
Farm. M. Hall, Ia.	F. 20,378	10,532									
Farm. St. M. & H., Ia.	F. 981,495	333,714									
Harv.-Hort. M., Ia.	F. 75,611	14,987									
Hawk, M. Hall, Ia.	F. 69,655	23,527									
Midwest Mut., Ia.	F. 141,611	47,475									
Sq. Bl. M. Hall, Ia.	F. 62,908	8,489									
	F. 165,087	67,331									

KANSAS

	Net Premia	Losses Paid
Atlas	F. 15,519	7,992
British America	F. 17,826	8,924
Caledonia	F. 7,863	1,853
Com. Union, Eng.	F. 10,706	3,049
Eagle St. & B. D.	F. 11,632	1,147
Law Un. & Rock	F. 15,280	2,287
L. & L. & G.	F. 127,400	81,290
London Assur.	F. 195,582	104,859
London & Lanc.	F. 41,435	25,476
London & Scottish	F. 60,037	38,094
Marine, England	F. 5,415	8,653
Netherlands	F. 7,059	3,776
N. Brit. & Merc.	F. 110,947	48,208
Northern, Eng.	F. 157,321	65,830
Norwich Union	F. 37,063	10,795
Palatine	F. 49,740	14,250
Phoenix, Eng.	F. 12,635	12,169
Royal Exchange	F. 32,261	12,243
Royal	F. 9,326	2,167
Scottish U. & N.	F. 11,388	3,664
State, Eng.	F. 3,439	.....
Sun, Eng.	F. 1,343	2,163
Sven F. & L.	F. 1,390	.....
Swiss Reins.	F. 298,067	67,460
Union, England	F. 293,531	105,810
Union, France	F. 86,077	44,932
Union, China	F. 126,274	54,592
Urbaine	F. 36,118	10,251
Western, Ontario	F. 45,090	10,723
World Auxiliary	F. 28,108	18,707
Aetna	F. 37,051	17,749
Agricultural	F. 40,416	17,826
Allemania	F. 51,159	18,619
Alliance	F. 20,341	7,049
American Alliance	F. 25,976	8,053
Amer. Automobile	F. 96,210	36,206
American Equitable	F. 124,659	58,083
American, N. J.	F. 10,310	2,667
American National, O.	F. 14,445	6,372
Automobile	F. 6,015	2,368
Baltimore Amer.	F. 7,736	2,815
Bankers & Shippers	F. 26,479	18,845
Boston	F. 45,418	22,593
Caledonian American	F. 1,937	12,567
California	F. 24,285	12,998
Camden	F. 28,139	11,595
Central Federal	F. 29,960	11,875
Chicago F. & M.	F. 10,945	3,700
Citizens, Mo.	F. 13,456	5,058
City of N. Y.	F. 114	2,064
Columbia, N. J.	F. 13,832	9,316
Columbian National	F. 18,520	12,630
Commerce	F. 34,999	20,631
Cpm. Union, N. Y.	F. 41,857	26,885
	F. 5,717	1,422
	F. 7,464	2,221
	F. 6,133	2,231
	F. 7,093	2,231
	F. 320,290	222,242
	F. 5,418,338	327,909
	F. 44,196	22,312
	F. 72,723	33,464
	F. 12,753	3,283
	F. 17,115	3,962
	F. 50,824	23,971
	F. 63,987	27,330
	F. 28,658	10,463
	F. 52,232	23,612
	F. 15,301	4,142
	F. 75,542	21,889
	F. 183,525	95,822
	F. 236,465	108,801
	F. 13,204	1,283
	F. 40,681	23,834
	F. 67,481	31,761
	F. 9,049	583
	F. 9,558	583
	F. 158,250	97,072
	F. 229,505	130,530
	F. 2,543	311
	F. 2,842	312
	F. 78,997	76,670
	F. 153,721	165,776
	F. 9,369	2,511
	F. 11,434	2,542
	F. 2,166	1,334
	F. 15,434	9,663
	F. 52,537	15,596
	F. 68,186	17,855
	F. 2,439	2,439
	F. 2,921	321
	F. 14,167	13,298
	F. 18,409	14,468
	F. 21,945	21,891
	F. 42,408	27,269
	F. 271	.....
	F. 4,773	.....
	F. 11,792	15,331
	F. 31,847	6,999
	F. 64,961	28,277
	F. 27,600	22,256
	F. 120,735	97,749
	F. 10,532	6,387
	F. 15,065	8,077
	F. 168	8
	F. 183	9
	F. 10,441	4,765
	F. 24,748	12,615
	F. 19,679	8,347
	F. 24,408	8,481

	Net	Losses		Net	Losses
	Premia	Paid		Premia	Paid
Min. Impl. M.	F. 86,919	86,962	Importers & Exporters	F. 22,717	14,202
Mut. Creamery, Minn.	F. 96,371	88,993	Lafayette, La.	F. 27,782	16,713
Nat. Impl. M., Minn.	F. 28,384	.....		F. 447	46
Nat. Retail, Ill.	F. 78,011	36,999	Mass. F. & M.	F. 5,951	2,805
Northwest. M., Wash.	F. 19,848	3,666	Mercantile, N. Y.	F. 6,217	2,805
Ohio Farmers	F. 20,487	3,675	Maryland	F. 38,021	32,016
Ohio Millers M.	F. 80,571	38,064	Mech. & Traders	F. 54,988	52,551
Ohio Underwriters	F. 87,217	40,502	Milwaukee Mech.	F. 4,925	1,368
Pa. Lumb. M.	F. 4,291	4,291	Mechanics, Pa.	F. 19,223	4,262
Pa. Mill. M.	F. 39,690	24,252	Minnesota	F. 20,357	4,268
Ret. Hardw. M., Minn.	F. 40,191	24,288	Michigan F. & M.	F. 119,888	55,948
Ret. Lumb., Minn.	F. 1,889	147	Min. F. & M.	F. 143,053	61,054
Ret. Merch., Minn.	F. 1,502	135	Merchants, N. Y.	F. 54,485	25,422
Secur. Mut., Minn.	F. 7,257	1,205	Merchants, R. I.	F. 78,076	26,921
State Gr. DL, Minn.	F. 7,304	1,205	Niagara	F. 35,710	17,769
United Mut., Mass.	F. 279,866	99,977	National, Conn.	F. 46,205	15,331
Western Mut., Minn.	T. 293,124	102,278	Nat. Ben Franklin	F. 52,028	16,094
Amer. Druggists, O.	F. 15,803	.....	New Jersey	F. 31,427	26,477
Agricultural, N. Y.	F. 49,957	13,902	Northern, N. Y.	F. 35,045	26,768
Amer. Union, N. Y.	F. 69,962	23,629	New Brunswick	F. 40,218	17,210
Alliance, Pa.	F. 78,595	24,683	Newark	F. 55,371	17,586
Aetna	F. 28,559	7,534	N. W. National	F. 25,866	24,420
American, N. J.	F. 31,579	7,534	National Security	F. 28,130	24,480
American Alliance	F. 36,936	12,309	North River	F. 166,252	69,213
Automobile	F. 60,127	17,309	National Union	F. 187,162	75,490
American Eagle	F. 4,079	2,293	N. W. F. & M.	F. 324,102	131,148
American Central, Mo.	F. 141,017	73,006	Potomac	F. 444,727	170,112
Buffalo	F. 179,829	80,999	Orient	F. 57,836	41,380
Bankers & Shippers	F. 3,912	960	Old Colony, Mass.	F. 62,196	41,323
Boston	F. 38,375	18,355	New Hampshire	F. 11,486	3,681
City of N. Y., N. Y.	F. 52,164	21,527	Phil. F. & M.	F. 13,960	4,797
Columbia, N. J.	F. 491,305	213,497	Pennsylvania	F. 132,913	32,504
County, Pa.	F. 640,390	359,063	Patriotic	F. 148,759	34,644
Columbian Nat., Mich.	F. 140,135	20,959	Pacific	F. 11,603	3,065
Camden, N. J.	F. 287,374	155,525	Phoenix, Conn.	F. 12,606	3,214
Commonwealth	F. 19,015	10,903	Prov. Washington	F. 50,369	26,252
Commerce, N. Y.	F. 19,949	10,924	Queen	F. 60,129	28,613
Druggists Mut., Ia.	F. 155,352	176,871	Reliance	F. 152,098	60,373
Chicago F. & M.	F. 358,805	217,504	Republic, Pa.	F. 205,875	68,817
Central Fed., Ia.	F. 62,234	29,224	Rhode Island	F. 959	693
California	F. 93,237	40,141	Stand. Mar., Eng	F. 1,467	885
Citizens, Mo.	F. 112,482	50,012	Springfield F. & M.	F. 95,353	82,820
Concordia	F. 125,647	55,095	Sentinel	F. 128,012	91,055
Con. Union, N. Y.	F. 42,735	19,223	Standard American	F. 192,033	102,631
Connecticut	F. 43,620	19,223	Superior, Pa.	F. 323,267	137,805
Continental	F. 19,336	3,798	Star	F. 209,607	112,269
Detroit National	F. 26,096	12,511	Transcontinental	F. 331,759	134,113
Detroit F. & M.	F. 173,858	78,681	Twin City	F. 2,913	25
Dubque F. & M.	F. 260,566	99,951	U. S. Fire	F. 4,229	192
Eagle, N. Y.	F. 29,744	8,981	U. S. Merch. & Ship.	F. 104,159	41,279
Equity, Mo.	F. 44,453	20,329	United Firemen's	F. 120,495	44,498
Export	F. 5,395	4,461	Victory	F. 39,554	21,264
Employers, Mass.	F. 7,373	4,800	Virginia F. & M.	F. 48,540	20,804
Equit. F. & M., R. I.	F. 11,191	6,133	World F. & M.	F. 112,357	64,733
Eureka Sec., Ohio	F. 11,887	6,174		F. 120,816	65,601
Fireman's Fund	F. 25,115	10,265		F. 14,336	8,823
Franklin	F. 31,781	10,265		F. 26,443	10,451
Firemen's, N. J.	F. 82,658	42,104		F. 56,523	31,965
First American	F. 100,640	49,644		F. 98,831	36,857
Federal, N. J.	F. 34,872	14,032		F. 24,653	7,009
Franklin National	F. 51,536	19,279		F. 29,221	8,407
Fidelity Phenix	F. 15,675	8,585		F. 17,560	4,560
Fire Ass'n, Pa.	F. 17,187	9,649		F. 22,341	6,702
Guaranty, R. I.	F. 15,985	1,964		F. 221,942	111,045
Granite State	F. 16,585	1,964		F. 272,593	122,408
Great American	F. 14,118	5,872		F. 92,736	47,855
Great Lakes	F. 15,860	5,860		F. 135,525	69,702
General, Wash.	F. 8,704	6,521		F. 133,189	66,453
Girard F. & M.	F. 6,078	7,521		F. 153,164	71,446
Imperial, N. Y.	F. 27,572	13,851		F. 31,476	20,476
General Exchange	F. 25,274	15,545		F. 36,484	20,804
Home F. & M.	F. 41,565	26,429		F. 119,499	49,898
Globe & Rutgers	F. 42,882	29,322		F. 131,252	51,146
Hartford	F. 36,223	19,223		F. 21,184	12,643
Hudson	F. 38,995	29,801		F. 24,358	13,270
Henry Clay	F. 23,014	15,092		F. 27,733	3,555
Hanover	F. 63,632	29,778		F. 235,536	87,959
Ins. Co. State Pa.	F. 137,687	67,482		F. 315,492	107,591
Ins. Co. No. Amer.	F. 187,435	74,461		F. 426	15
	F. 317,319	146,128		F. 7,377	1,891
	F. 461,974	221,410		F. 8,610	1,918
	F. 1,681	566		F. 18,466	9,894
	F. 1,745	623		F. 19,059	9,996
	F. 63,872	30,578		F. 47,643	27,725
	F. 68,245	31,050		F. 55,462	28,974
	F. 81,452	31,452		F. 27,766	20,476
	F. 88,745	32,198		F. 29,846	20,658
	F. 8,402	2,742		F. 16,387	2,388
	F. 10,607	3,443		F. 18,129	2,335
	F. 1,528	199		F. 668,597	290,885
	F. 1,740	341		F. 1,180,987	451,464
	F. 16,128	14,574		F. 8,225	3,242
	F. 31,708	17,118		F. 10,453	4,284
	F. 27,424	13,421		F. 19,919	18
	F. 33,289	14,816		F. 18,271	1,056
	F. 14,881	6,688		F. 347,044	245,065
	F. 20,424	7,282		F. 512,891	289,733
	F. 15,329	8,908		F. 137,426	90,883
	F. 158,438	69,702		F. 15,583	100,536
	F. 225,084	87,401		F. 15,493	10,198
	F. 78,809	45,412		F. 49,592	19,797
	F. 116,001	67,735		F. 16,877	1,509
	F. 146,211	71,335		F. 85,917	25,763
	F. 183,016	80,905		F. 20,013	9,605
	F. 6,266	5,742		F. 25,517	10,231
	F. 8,256	6,614		F. 12,591	8,979
	F. 95,643	20,684		F. 15,596	6,942
	F. 4,041	635		F. 17,821	6,407
	F. 4,456	635		F. 20,959	6,880
	F. 216,031	127,622			
	F. 223,159	160,975			
	F. 212,682	93,651			
	F. 251,798	101,109			
	F. 16,120	2,463			
	F. 17,347	2,473			
	F. 12,678	4,965			
	F. 13,120	4,980			
	F. 104,466	65,946			
	F. 129,644	77,095			
	F. 321,013	161,822			
	F. 399,634	173,703			
	F. 826	61			
	F. 53,989	4,643			
	F. 55,454	16,461			
	F. 26,036	16,877			
	F. 27,395	16,877			
	F. 9,711	2,548			
	F. 12,621	3,774			
	F. 127,261	4,325			
	F. 22,265	8,435			
	F. 23,745	8,964			
	F. 148,311	71,984			
	F. 166,044	81,160			
	F. 374,728	165,432			
	F. 626,058	226,058			
	F. 690,436	412,798			
	F. 872,342	448,842			
	F. 86,416	41,934			
	F. 115,315	55,012			
	F. 1,258	1,278			
	F. 1,358	1,358			
	F. 122,175	52,165			
	F. 140,570	62,525			
	F. 84,155	86,941			
	F. 96,123	96,150			
	F. 320,375	150,818			
	F. 581,007	339,372			

**If it's for
FIRE
AUTOMOBILE
and TORNADO**

**That New Company
Should be the**

**RETAILERS FIRE
INSURANCE COMPANY**

OF OKLAHOMA CITY, U.S.A.

The JUNIOR BROADCASTER

VOLUME V

LE ROY, OHIO

No. 3

Editorial

AGENTS of the Ohio Farmers Insurance Company are writing more and more Rent insurance. It is a sign of the times, and a good sign.

If there are any readers of THE JUNIOR BROADCASTER who have not sold rent or rental value insurance, may we just say this to them?

Rent insurance is not a complicated line to sell or to write. It is a valuable form of protection at small cost. And practically every property owner is a prospect.

To agents who would like to read a brief treatise on Rent and Rental Value insurance, the Ohio Farmers Insurance Company will gladly send copies of a booklet on the subject. Please address the Company at Le Roy.

AUTOMOBILE agents of the Ohio Farmers have the services of a completely equipped automobile department

with facilities for writing practically everything (except public liability insurance).

Either specific amount or cash value policies for private passenger cars.

Forms for fleets of passenger cars and trucks and for dealers' cars.

Half-trigger response to requests for rates or information on fleets or dealers' stocks.

Ohio Farmers agents approve of this service and prove it by increasing their business.

If you have troubles, remember this. It is a poor dog that cannot support at least one flea.

ANY Ohio Farmers agent wanting advertising folders for automobile insurance may have them by application. Just say: "Send me automobile insurance folders." We will print your name and address on them and send them to you in a hurry.

NEW YORK

Knickerbocker	F. 347,428	256,476
London Assur.	F. 368,774	264,865
Sea	F. 455,308	277,634
Assur. Under., N. Y.	F. 648,280	414,322
	F. 1,175,474	979,338
	F. 58,892	31,070

NEBRASKA

Ohio Millers Mut	F. 8,970	105
	T. 10,352	205

OKLAHOMA

Sun, Eng.	F. 86,486	33,370
Hudson	F. 109,817	34,707
	F. 43,403	24,162
No. Brit. & Mere.	F. 72,042	28,818
	F. 205,462	99,278
Palmetto, S. C.	F. 243,409	73,552
	F. 1,672	4,205
	F. 11,489	11,887

(CONTINUED ON PAGE 44)

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Big Contribution to Public Revenues

THE president of one of the casualty companies called attention to the fact that he had just been studying his annual figures and making an analysis. He found that the taxes and fees last year exceeded by some \$25,000 or more, all the dividends that had been paid stockholders by his company. He stated that this situation was an interesting one because it showed the drain that the state and national governments make on the resources of insurance companies.

While the public often complains of rates the fact is not taken into consideration that these companies are called upon to pay large amounts of taxes up and down the line. One of the most insidious forms of taxation is

the occupational or local municipality tax. This is a favorite source of revenue throughout the south. A municipality desires to add to its revenue and either taxes the premiums or insurance companies or places an occupational tax on agents. In either case however the company is expected to meet the bill. This president very justly complains of this local form of securing revenue. He contends that local agents should bring their influence to bear to have such ordinances repealed. Insurance companies for a long time have been the particular favorites of states for tax purposes. The amount paid now reaches immense figures. It is a form of indirect taxation that the public does not appreciate.

Record on Big Plants

AN INTERESTING disclosure from a close examination of the fire record of one of the large industrial plants is that over a period of 20 years the plant may show a loss ratio of 90 percent over premiums received and still obtain insurance without the slightest difficulty. The figures in an actual case show that fire loss in such a record did not come from any one or two very large losses but that the industrial plant had had a fairly even and steady fire loss throughout the 20 years. In this particular case, the industrial plant is of such size that it presents a greater value than many small towns. Yet it is the common practice of the companies to withdraw from small towns which would show such a fire record as this one had over a series of years.

The plant in question is well able to finance a first class fire prevention and

would save money for itself and the insurance companies by organizing such a department in its plant. In this particular case, the agent did not seem to be aware of the fact that the large industrial plant had been a constant drain upon the insurance companies.

He protested because the companies questioned a hazardous risk, saying that it was owned by the large industrial plant and that he had to take this in order to accommodate them and hold the big line.

The question arises whether it would not pay the companies to scrutinize the fire loss record of large industrial plants in the same way that the fire loss of a small town or city is scrutinized. Why should the companies pour money for 20 years into the coffers of an industrial plant any more than they would into any one town or city?

Distribution of Business

MANY agents have found that the policy of placing an entire line of rather large dimensions in a few companies has had unfortunate results. A few years ago when some of the companies reached out beyond all reasonable bounds and grabbed everything in sight, the argument was made that an agent could cut down his cost and could appeal to the convenience of his customers by reducing the number of policies.

This resulted in a number of agents resigning some of their medium-sized companies. Now with the big writers cutting down their lines materially, the agents lack capacity and they wish they had their companies back.

It is always good system to encourage the smaller and medium-sized companies. They serve a purpose that should not be overlooked. They deserve their rightful share of the business.

PERSONAL SIDE OF THE BUSINESS

Thomas McIlvaine, Jr., until recently director of public relations for the National Board, has been retained by the Eastern Film Corporation of New York City, producers of industrial and educational pictures, as consultant in connection with the making of fire insurance and fire prevention films. The company has made a number of pictures for the National Board and for several individual fire and casualty companies.

Richard M. Bissell, Jr., son of President Richard M. Bissell of the Hartford Fire, has temporarily turned historian and is writing a chapter in the "History of Farmington," while studying at Groton School. Mr. Bissell, Jr., will publish his work in the form of a booklet.

C. G. Blakely, Sr., of C. G. Blakely & Co., prominent local agents at Topeka, Kans., is on the job again. He was stricken with pneumonia and was away from the office about four weeks. He is the father of Charles G. Blakely, Jr., president of the Kansas Association of Insurance Agents.

Funeral services for John A. Bruner, chairman of the board of the Lawton-Byrne-Bruner Insurance Agency Company, St. Louis, were held Monday. The body was cremated.

Mr. Bruner, who was 65 years of age, was born in Alton, Ill., May 19, 1861. For a number of years he was in the mercantile business and did not enter insurance until he was 33 years of age. His first insurance connection was with the Charles L. Crane Agency Company of St. Louis and he later became vice-president of that agency. He was one of the organizers of the Lawton-Byrne-Bruner Agency in 1914, and was its first vice-president. Later he was made chairman of the board.

Mr. Bruner served on the board of the Underwriters Salvage Corps for five years and was its president in 1920. He was elected to the board of directors of the Automobile Club of Missouri in 1914 and held that position at the time of his death. He was president of the club in 1920.

Frederick C. White, vice-president of the Hartford Fire, was reelected president of the First Unitarian Congregational Society of Hartford, in which he has long been a leading factor.

In the selection of Dr. Sumter L. Lowry, Sr., of Tampa, Fla., as commander in chief of the Sons of Confederate Veterans a compliment of note has been paid the insurance business. Dr. Lowry is one of the organizers of the Florida Local Underwriters Association, now over 23 years of age, and has not been absent from any of its sessions. He is one of the leading general agents of the Reliance Life and has for many years been one of its largest producers. He was general chairman for the reunion of Confederate Veterans and Sons at Tampa last week.

John A. Melton of Kansas City, who has been with the American in that territory for the past 40 years, was operated on there last week. Due to a weakened heart condition the operation was done with only a local anesthetic. Mr. Melton rallied satisfactorily from the operation and is getting along as well as could be expected.

Mr. Melton is one of the oldest and best known field men in that territory. He is the father of C. F. Melton, an independent adjuster in Kansas City, and a brother of Horace Melton, special agent for the Home in Kansas.

Miss Jeanette Scurr, daughter of Orville Scurr, state agent for the Scottish Union & National in Nebraska and Iowa, has been chosen the prettiest girl

in the senior class of Central high school, Omaha. This honor will no doubt hasten the recovery of her father, who has been ill for a month or more.

Harry L. Conn, formerly superintendent of insurance of Ohio, who has resigned to return to the practice of law, has become a member of the law firm of Conn, Hoke, Wright & Benoy. Mr. Conn has his offices at 503 Hartman building, Columbus, O., and he will specialize in insurance law. He was formerly justice of the supreme court of Ohio. Judge Conn's resignation as Ohio superintendent is effective April 15, when he will be succeeded by William C. Safford, present deputy superintendent.

Thomas E. Gallagher of Chicago, former western manager of the Aetna, left last week for Danville, N. Y., his old home, to stay a few days. From there he went to Washington, D. C., to be present at the Western Union meeting. He then journeyed to New York City to visit his son, Vincent Gallagher, of the America Fore organization. Mr. Gallagher on his return home, is stopping several days at Cincinnati to visit his daughter, Mrs. William A. Earls, wife of the well-known local agent. At Cincinnati he will be joined by his two other daughters and a family reunion will be held.

Robert E. Currier, formerly local agent at Black Mountain, N. C., who did so much to get fire protection service in his town, was found dead in his apartment at Jacksonville, Fla., with a revolver by his side. Evidently he committed suicide. Mr. Currier came into prominence at the Hot Springs convention of the National Association of Insurance Agents when he made a fire prevention speech telling what he had done for his community. He became a leading figure in his state association. Later he was appointed state agent of the Aetna in Florida. He has many friends throughout the field. He shared his apartment with State Agent Edward Haynes of the Commercial Union, who found Mr. Currier dead in his room.

Shirley E. Moisant of Kankakee, Ill., who gives an annual outing every year at the country club at Kankakee, has set June 7 as the date for the 1927 golf tournament. Mr. Moisant on that day entertains the field men of his agency and a number of other insurance friends.

MUST IS—TAINT NO DIFFERENT

I.
Old Socrates, so I've been told,
Maintained, from the time he was twelve
years old
Till the torch was applied to his funeral
pyre,
That where there is smoke there must
be some fire.

II.
I've tried to find from year to year
Whether chickens or eggs did first ap-
pear;
But comparisons fall as to which was
prior
When you start to figure on smoke and
fire.

III.
Now the smoke that's on the speedometer
glass
It might have come first or it might have
been last;
But, unless old Soc. was an awful liar,
Since the smoke is there there WAS cer-
tainly fire.

IV.
It burned the speedometer and smoked
its face,
It burned the plates in the battery case,
It burned out the lights and burned up
the wire—
It was mighty d— hot if it WASN'T
a fire.—D. L. Hoffman, Mo.

Everything comes to him who waits
But here's a plan that's slicker;
The guy who goes after what he wants
Will get it that much quicker.
—T. E. Allaire, Ohio.

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

PREMIUMS SHOW DECREASE

General Slump in Business Is Noted by Almost All the Companies in State of Ohio

COLUMBUS, O., April 13.—Premiums over Ohio generally are showing a decrease this year for all companies. There are a few exceptions but they are scattered. Part of this decrease for some companies is due to their withdrawal from or extensive cutting of farm business. Part of it is due to a decrease in lines being carried and the necessity of slicing off huge premiums in order to follow the changed underwriting policies. Probably the decrease in the main, however, is due to a slight slowing up of Ohio business. Business leaders in Ohio have marked this slowing up recently as have local agents, and efforts are being made to prevent withdrawal of capital from the state and to induce new capital to come in. Some believe that Ohio may have reached the crest as an industrial state and that the tendency of new industry will be to go farther west.

Losses at Last Year's Level

While the premiums are decreasing, the losses apparently are about on a par with last year. Deflation conditions are still being met in Ohio by some companies with a sell out to the insurance companies. Moral hazard has been present in some of the large losses.

PLANS FOR OHIO BLUE GOOSE

Effort Will Be Made to Have Monday Luncheons in Various Large Cities in State

Most Loyal Gander R. W. Hukill of the Ohio Blue Goose has appointed the following committees: Entertainment, Eugene Gallagher, chairman, A. R. Gibson, D. F. Durnford, R. E. Eisert and Fred I. Sipp; luncheons, Arthur Lohmeyer, chairman, R. T. Huggard and C. C. Atwell; guards and initiation team, R. B. Sherman, captain, F. E. Agler, S. W. Lively, R. B. Atwell, H. H. Chittenden, F. A. Dickerson, Lewis E. Heller, Thos. A. Hites and C. E. Reeder; ritual work committee, H. H. Chittenden, H. R. Underwood and F. O. Evertz. The membership committee is made up of the chairman of each district head with Ben P. Tinsley as chairman, F. R. Middaugh and D. G. Morgan.

An effort is to be made by the Ohio pond to establish Monday luncheons in Dayton, Toledo, Cleveland and Cincinnati as rapidly as local organizations can arrange for this. There are about 25 members in Cincinnati and there are about 40 in the city eligible for membership. A. C. Guy is chairman of the Cincinnati district representatives. The others there are Edward A. Winter and W. J. Toole. The Cleveland district representatives committee is composed of Bert O. Evans, chairman and J. Monroe Shaw, Geo. G. Gross, Ed. Fitzgerald and B. T. Duffy. In Dayton the chairman is Robert L. Barnard and the

other members are Walter G. Shannon and J. W. Kercher. L. F. Kietzman is chairman at Toledo, serving with H. F. Sears and M. O. Crowe. It is believed that the Ohio pond can maintain greater interest and also increase its membership by maintaining these local points of contact.

The executive committee of the Ohio Blue Goose meets May 2, to discuss plans for an outing to be held at one of the Columbus Golf Clubs early in the summer.

LULL IN FARM CONTROVERSY

Congressman Brand Has Not Filed His Brief in the Issue Over the Rate Increase

COLUMBUS, O., April 13.—At the present time there is a lull in the Ohio farm rate controversy. Congressman Charles Brand asked and received permission from the insurance department to file a brief supplementary to that filed last winter, and this brief has not yet been filed. No action will be taken by the department until after it is filed. At the hearing Mr. Brand emphasized two points; first, that the superintendent of insurance had not exercised all his powers to prevent a rate increase, and second, that if, as the companies insisted, farm business had been written at a great loss, then since the business in Ohio, as a whole, was profitable, some other classes of risks must have been rated too high and so any increase in farm rates should be accompanied by a decrease in rates on some other classes of risks. It is the general belief that Congressman Brand will be a candidate for the Republican nomination for governor in Ohio next year and that he may press the farm rate

protest for publicity at such time as the publicity will be of greatest value for political purposes.

IMPROVING PROTECTION PLAN

Some West Virginia Cities Active in Work of Getting Better Fire Fighting Facilities

CHARLESTON, W. VA., April 13.—Williamson, W. Va., put its new water supply system in operation last month. About \$300,000 was spent for the improvement. It is hoped that this improvement will prevent a repetition of the disastrous experience in Williamson last year when 17 dwellings burned in one fire and nine in another.

Mannington will vote May 2 on an \$86,000 bond issue, the proceeds of which are to be used to furnish an adequate water supply.

Martinsburg has completed installation of up-to-date equipment in its water works. New pumping equipment and new lines from the source of supply have been installed.

Alderson is in poor condition for fighting a fire. The hose supply is limited and of doubtful value and the whistle which has served as a fire alarm is no longer available.

Salvage Corps Official Dies

CINCINNATI, April 12.—Capt. Chris Wolfer, assistant superintendent of the Cincinnati Salvage Corps, died very suddenly last Saturday morning after returning from work at a small fire on the premises of a company making toilet sundries. Death was caused by inhaling of fumes from chemicals located in the building. The fire itself was of small consequence. Fire insurance agents in Cincinnati were greatly shocked by the sudden death of Captain Wolfer, who

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TOURIST FLOATER
SALESMEN'S FLOATER
RADIUM FINE ARTS
JEWELRY BLOCK
FUR FLOATER
JEWELRY and FUR FLOATER
MERCHANDISE BY AIR-
PLANE
WEDDING PRESENTS
ENGAGEMENT RING INSURANCE

Transportation
Leasehold
Fire
Auto
Marine
Explosion
Lightning
Leakage
Riot
Rent

was very well known and very popular among them. J. J. Conway, superintendent of the corps, said that in his 27 years of fire fighting he had never met Captain Wolfer's equal in valor, loyalty or bravery.

New Ohio Deputy Superintendent

William A. Doody, former reporter and lawyer, has been appointed deputy insurance superintendent of Ohio. Lately he has been with the Ohio State Automobile Association at Columbus. He takes the place of W. C. Safford, who was appointed superintendent following the resignation of Judge Harry L. Conn.

Plans for Bellefontaine Inspection

Arrangements have been made for an inspection to be held at Bellefontaine, O., April 19. A luncheon will be served at noon instead of a dinner in the evening, this change having been made by the local committee in order to accommodate field men who would not be able to stay over for the evening meeting. An inspection also will be held at Kenton, May 4.

Receivership Hindered by Suits

The Ohio department is unable to wind up the receivership of the Great American Mutual Indemnity of Mansfield, O., at present, because of litigation involving claims exceeding \$1,000,000 against the company. The department is said to have been ready for some time to terminate the receivership but is hindered from doing so by the law suit.

Big Delegation from Cleveland

CLEVELAND, April 12.—Cleveland insurance interests will be well represented at the mid-winter conference of the National Association of Insurance Agents in Chicago April 19-21. According to S. J. Horton, secretary of the Cleveland Insurance Board, more than 20 agents and representatives of agencies have signified their intention of attending the conference. Among those who have thus far made reservations are Robert H. Perdue, president of the Cleveland Board; W. E. Fickinger, vice-president; S. J. Horton, secretary; P. W. Flicker, A. W. Henry, H. R. Manchester, H. L. Grider and Fred B. Ayre.

Several of the members will leave Cleveland April 18, driving through to Chicago.

Will Publish New Forms

The Ohio Audit Bureau expects to publish about April 15 a new printed list of forms being used in Ohio showing dates of latest editions. The last list of this kind was issued in January, 1926. About 15 changes are necessary due to new editions of forms since then. Agents will be urged to check their supply of forms with the new list and obtain all up-to-date forms to avoid necessity of corrections by agents and Audit Bureau.

Ohio Agency Changes

The L. S. Peck agency at Andover has been bought by Neil H. Morrell. The Brown County Insurance agency at Georgetown has taken over the Edgar H. New agency.

Russell Banks has purchased the Frank R. Holycross agency at Marysville.

The business of the Besse Insurance agency and of Olive E. Youman at Pataskala has been consolidated and the agency will be operated as Besse & Youman. The owners are Effie L. Besse and Olive E. Youman.

At Piqua, W. A. and A. G. Snyder have taken over the Snyder-Conrad-Snyder agency.

The Moore and McAllister agency at Waverly is now being operated by Mr. Moore alone.

The Carroll Capes agency at Lakeside has been sold to Mrs. Mary J. Baldwin. A consolidation at Lisbon brings the Marsden and Moore agencies together as Adams & Marsden.

Evertz Will Be Speaker

F. O. Evertz, electrical engineer of the Ohio Inspection Bureau, will be one of the speakers at the evening meeting following the Bellefontaine inspection, April 19. Recently Mr. Evertz has been addressing Inspection Bureau employees, architects, builders and contractors in Youngstown, Steubenville, Wheeling, Columbus, Cleveland and Akron on "How to Install Fire Doors." Mr. Evertz illustrates his talk with 115 lantern slides. Plans are being made to have the address given shortly in Dayton, Spring-

field and Lima and later in Cincinnati. The address covers all types of fire doors.

Ohio Notes

Charles S. Ferguson, local agent at Lorain, O., died a few days ago.

Henry Cheesman has opened insurance offices in the Casey block in Washington Courthouse, O.

R. E. Verner of the Western Actuarial Bureau speaks in Cleveland, April 21, before the Cleveland Safety Council.

The plant of the A. W. Rieser Company, Toledo, manufacturers of lighting fixtures, was burned a few days ago with a loss of \$38,000.

A fire that raged for more than 24 hours caused a loss of \$50,000 in the storage warehouse of the U. S. Gypsum Plant at Lancaster, O. The loss is partly covered by insurance.

Fifty head of valuable horses and cattle were burned to death in a fire in the Canfield Dairy at Canfield, O., a few days ago. The loss was \$40,000. The cattle were registered Holstein.

The city hall in the village of Proctorville, Lawrence county, O., was burned a few days ago. Residents were aroused by town criers, the village fire alarm,

which consisted of a bell in a belfry on the hall, being put out of commission.

Fire in the store of Bond Clothes, Inc., East 9th and Euclid avenue, Cleveland, resulted in losses of \$31,376 on stock and between \$8,000 and \$9,000 on fixtures. There was \$60,000 insurance.

Fire completely destroyed the residence of James W. Rice in Oakwood, a suburb of Dayton, recently, with a loss to the companies of \$35,000 on the building and \$30,000 on contents. Oakwood has a 4½ classification for rating purposes.

Fire Saturday at Martinsburg, O., caused a loss of \$4000. The fires were: Jas. Hancock store, business block owned by Cora Clark, president of the Martinsburg bank; Lee Norris, home and contents; D. T. Allen barber shop, D. C. Harmon's restaurant, Odd Fellows temple and several dwellings.

A loss of \$100,000 was incurred in a fire in the Ohio Bronze Powder Company's plant at Cleveland. Explosions for more than hour rocked the neighborhood. Windows were shattered in 50 surrounding homes. The fire was caused by lighting. Plants suffering damage included those of the Jordan Motor Car Company, Murray-Ohio Body Company and the National Lamp Works.

CENTRAL WESTERN STATES

BROSSEAU WITH CONTINENTAL

Veteran Decatur Agent, Prominent in State Association Work, Sells Interest in Agency

DECATUR, ILL., April 13.—Philip A. Brosseau, for six years a member of the firm of Swann, Brosseau & Sanks, has sold his interests in the agency to the other members of the firm and will become special adjuster for the Continental with headquarters in



PHILIP A. BROSSEAU

this city. Mr. Brosseau is one of the veteran insurance men of this community. He has been president of the Decatur Fire & Casualty Underwriters and is now vice-president of the Illinois Association of Insurance Agents. For many years he was star producer for the Travelers in this field. Before coming here he was of the firm of Moisand & Brosseau, Kankakee's largest insurance agency.

New Arson Law in Michigan

LANSING, MICH., April 12.—A new arson law for Michigan is provided in the Farrand bill now before Governor Fred W. Green for his signature. The measure amends the old act which contained many contradictory and antiquated provisions. Every variation of the crime is taken care of adequately in the new act, it is believed, with fair sentences provided and no ambiguities retained. It is felt certain that the governor will attach his signature. Easier convictions and proper penalties are seen as the result of the new law.

State's Charter Approved

The State Insurance Company, which is to be organized by the Roberts Agency at Marion, Ill., has had its charter approved by the state authorities.

NEW SCHEDULE FOR INDIANA

Revised Scale Approved by State Insurance Department Will Become Effective Next Week

INDIANAPOLIS, April 13.—The Indiana insurance department has approved the new fire schedule and it will become effective April 18. A lower basis, showing about 8 percent reduction, is fixed on fireproof construction. The same basis tables continue for brick and contents and the same frame basis for protected towns. A higher frame basis, about 12 percent increase, is established for unprotected towns. These rates are all approved with the proviso that in determining experience for five years after the new schedule is in operation, 1927 and the four previous years be considered.

Because of the question of determining experience and classification the old schedule of 1914 has been in force in Indiana and the new schedule that has been adopted is that of 1921 with amendments up to 1926. Charles A. Woerner is in charge of the rating department of the Indiana insurance department and has had the new schedule under consideration for some months.

MANY LOSSES IN MICHIGAN

Sudden Epidemic of Fires Causes Damage Totalling More Than \$500,000 in 48 Hours

LANSING, MICH., April 13.—After a period of weeks with few fires of any moment had been recorded, a series of blazes in Michigan took a toll of upwards of \$500,000 in little over 48 hours.

The most serious loss was sustained at the Art Stove Company plant in Detroit, with damage estimated at \$200,000. Most of the loss was shouldered by the McCord Radiator Company and the Royal De Luxe Bus Company, both of which occupied space in the building. About 100 buses being assembled by the latter concern were seriously damaged and stock of accessories was completely destroyed.

The plant of the Big Rapids Furniture Manufacturing Company at Big Rapids sustained loss estimated at \$75,000. The fire department, while preventing spread of the flames, was unable to save the factory. Clare county courthouse at Baldwin was gutted above the ground floor, the loss being estimated at \$50,000. Christian Reformed Church at Borculo was destroyed in another Sunday blaze. Loss was estimated at \$18,000 and two other buildings, more than a half mile away were ignited by sparks and burned.

In Lansing fire gutted the Orpheum theater in the downtown section. The

fire, believed to have originated in or near the projection booth, quickly spread upward through the roof and then ate its way through the rest of the interior. A \$7,500 pipe organ is believed to have been ruined, the movie machines were damaged, and the seats were practically consumed. Total loss is expected to reach \$50,000.

Illinois State Board Meeting

The executive committee of the Illinois State Board of Fire Underwriters has decided to hold the annual meeting at Delavan Lake, Wis., June 28-29. June 21-23 had been originally selected, but on these dates the Wisconsin Bureau Field Club will hold its meeting. A. A. Knopp of the New York Underwriters is president of the Illinois State Board.

Good Results from Campaign

INDIANAPOLIS, April 12.—General reports from Indiana on the special automobile insurance drive being put on during April indicate that the idea is going well and that agents are writing considerable business. In a number of towns, including Indianapolis, the special newspaper advertising which was prepared for the drive by the Casualty Information Clearing House is being used.

Grand Rapids Loss Reduced

GRAND RAPIDS, MICH., April 12.—Grand Rapids continued to reduce its fire loss during the past fiscal year ending March 31, it was revealed in figures published this week. Total loss for the year did not reach the \$300,000 mark, a remarkably low point for a city of 150,000 population, whose chief industry is furniture-making. The previous year's loss was \$340,000, also considered a low figure. Per capita loss the past year was \$1.68, 15 cents below the previous year's computation.

Royal Oak Protection Inadequate

ROYAL OAK, MICH., April 12.—Royal Oak needs three pumpers and two ladder companies if it is to be considered adequately protected, according to J. Lloyd of the Michigan Inspection Bureau who addressed the city commission last week on the fire situation. The city now has but one pumper and two chemical trucks. Mr. Lloyd recommended at least 20 paid firemen instead of 12, as at present. He admitted that rapid growth made it hard to keep up with the fire fighting requirements. Extension of Detroit water to the city will materially affect insurance rates, the speaker declared. This extension is now under way.

Will Inspect Aurora

Under the auspices of the local chamber of commerce and the Kiwanis Club, the Illinois State Fire Prevention Association will conduct an intensive inspection and educational campaign in Aurora next Wednesday. City officials and the various civic and business men's organizations are cooperating most heartily and doing all they can to make the affair a success.

A public meeting will be held at luncheon in the Masonic club rooms, at which Harry K. Rogers, engineer of the fire prevention department of the Western Actuarial Bureau, will be the principal speaker. A large attendance is counted upon at this time, as Wednesday is the date of the regular get-together of the Kiwanis Club, and plans have been made to consolidate the luncheon meeting of the fire preventionists and the meeting of the Kiwanians. Other civic organization have been invited to participate in this luncheon meeting.

Illinois Notes

At Rock Island, Ill., fire destroyed half of the \$29,000 shoe stock in the Akin Economy store. Insurance covered half the loss.

Fires at Silvis, Ill., the night of April 7 caused losses of over \$120,000. The Railway Brake Shoe & Foundry Company plant, idle since last summer, was practically destroyed with \$100,000 loss, half of which is covered by insurance.

Fire that started in a steam grain dryer consumed the grain mill of the Elevator Milling Company at Springfield, Ill., April 8. Included was 45,000 bushels of corn. The total loss was estimated at \$400,000, but partly covered by insurance.

What can be accomplished through organized fire prevention work is strikingly shown in the case of Springfield,

Ill., where the fire losses for the last nine months were reduced \$218,186, as compared with the record for the previous nine months.

The Davis, Ill., volunteer fire department this week put into service its new \$5,200 truck. Farmers who subscribed \$25 to the fund to pay for the apparatus will be entitled to service, if they live within four miles of the city. Fifty-two farmers have already enrolled for this protection.

A loss of about \$200,000 resulted from a fire which destroyed six buildings in the business section of Rock City, Ill. The fire started in a residence and quickly swept down one side of the main business street, destroying six buildings until checked by a brick bank building with a fireproof roof. It also spread to an elevator, lumber and coal yard and

the station and stock pens of the Chicago, Milwaukee & St. Paul railroad.

Indiana Notes

In cooperation with the local chamber of commerce and the Rotary and Kiwanis Clubs, the Indiana State Fire Prevention Association will inspect Washington, April 20.

L. H. Vaughan, manager of the City Trust Company at Terre Haute, Ind., died last Friday as the result of an automobile accident. The funeral was held Sunday with burial at Lexington, Ky.

Newton B. Wright has become manager of the insurance department of the new Inland Bank & Trust Company at Indianapolis. Mr. Wright has had more than 25 years' experience in the insurance and real estate business.

STATES OF THE NORTHWEST

COMPANY WAS HELD LIABLE

Policy Was Not Voided by Answer of Owner of a Life Estate When Facts Are Reviewed

In *McLevis vs. St. Paul Fire & Marine*, supreme court of Minnesota, 206 N. W. 940, the plaintiff brought an action to recover under a policy. The company defended the action on the ground that plaintiff made false answers to certain questions in his application. The questions and answers relied upon by the company were as follows:

"Is the title to the property in your name? (Answer.) Yes. What is the nature of your title, is it by deed or contract? State fully. (Answer.) Deed."

Did Not Have Title

Now it appears, that the plaintiff did not have title but owned a life estate which he had inherited. Neither did he have a deed to the property, but one Erickson, the company's agent, had full knowledge of the character of plaintiff's ownership in the property.

Trial resulted in a judgment in favor of the plaintiff. On appeal, the higher court in reviewing the record and in holding that the misrepresentations were not made with intent to defraud, that they did not increase the risk, and that the judgment should be affirmed, said:

What the Court Said

"There is no question but that plaintiff had an insurable interest. . . . It was so insured, unless the misrepresentations made by plaintiff in his written application were made with intent to deceive and defraud, or unless 'the matter misrepresented increased the risk of loss.' Upon both issues the findings are

for plaintiffs. Both the intent of the misrepresentations and their possible increase of risk are negative. So we cannot reverse, unless we can say as matter of law that the indicated result is wrong.

No Bad Faith Found

"The finding with respect to the intent of plaintiff settles that issue. Plaintiff probably has such meager business experience and is so unfamiliar with transactions of the kind in question that, if he entertained and expressed the notion that he was owner of the property, there is no ground for the imputation of bad faith. If he had been so minded, it is hardly conceivable that he would have endeavored to deceive Mr. Erickson, who knew all about the title and

1898

1927

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UNDERWRITTEN BY

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Republic Fire Insurance Co.

National-Ben Franklin Fire Insurance Co.

Superior Fire Insurance Co.

COMBINED STATEMENT

Capital, \$2,800,000

Assets, \$16,608,174

Net Surplus, \$2,223,014

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Pittsburgh, Pa.

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President

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INSURANCE THOUGHTS from A Carolinian

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Authorities on this subject agree that such a condition will never completely come to pass.

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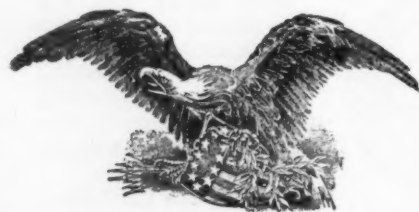
Assets, \$2,444,182.93

Surplus to Policyholders, \$1,063,844.94

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the limitation of plaintiff's interest to the life estate. . . .

Agent Knew the Facts

"The other misrepresentation is the answer to the effect that the 'nature' of plaintiff's title was by 'deed.' The application required plaintiff to state fully his answer. But the obvious deficiency of the answer cannot be charged to plaintiff, for it was secured and written by defendant's agent Erickson, whose testimony shows that he knew what the fact was. . . .

"It is true as argued for defendant. . . . that the insurer has a right to know to what extent the insured has the ability to protect, or an interest in protecting against the perils insured against.

Responsibility Is Placed

"It is equally true that it is for the insured who depends upon a written application of his own preparation to use questions sufficiently simple, apt, and comprehensive to elicit the desired information; and that the agent for the insurer who, knowing the facts, permits them to be innocently misstated in the application, undergoes a responsibility for the misstatement which is imputed to his principle. . . . Affirmed."

Seek Wisconsin Code Revision

An attempt at the recodification of the Wisconsin insurance laws, which has been brought up several times in recent years, is indicated by a resolution introduced in the Wisconsin senate last week by Senator Titus.

In his resolution he states that the insurance laws of Wisconsin are in great need of revision in order to meet present-day conditions and to this end he wants to have an interim committee appointed which would consist of two senators, two assemblymen and a chairman to be appointed by the governor. The committee would work on the insurance statutes and present a report at the next session of the legislature.

Oppose Minnesota Tax Bills

Insurance companies have joined with banks and trust companies in opposing a group of bills now before the Minnesota legislature relating to taxation of capital income. The contention of the opponents of the bills is that the system of taxation proposed would drive capital from the state.

Compensation Insurance Club Topic

MINNEAPOLIS, April 12.—The present trend of compensation insurance was the topic for discussion at this week's meeting of the Insurance Club of Minneapolis. At the two previous meetings subjects other than insurance were discussed and while these meetings were found a delightful variation it was felt the club should again take up questions of vital interest to the members.

P. H. Ware, president, says the club never has held more successful or better attended meetings.

Inspecting Janesville, Wis.

A two-day inspection is being held this week at Janesville, Wis., by the Wisconsin State Fire Prevention Association. The inspectors started Wednesday morning and will continue through Thursday. On the second evening a dinner will be held at which Harry Rogers, "fire clown," will make the principal address. This is the first time in two years that the association has been able to

obtain Mr. Rogers and it feels fortunate that he is on the program.

The association has been invited to inspect Waukesha next month, by the Association of Commerce in that city. Dates for the inspection will be announced later.

Milwaukee Board Credit Bureau

MILWAUKEE, April 12.—The credit bureau to give information to members on credit risks is to be started by the Milwaukee Board April 15. The board will make known its plans of obtaining and clearing this credit information when the bureau has been established and operating for a time.

Two North Dakota Inspections

Two town inspections are scheduled by the North Dakota State Fire Prevention Association for the last week of April—Dickinson on the 27th and Hebron the 28th.

Big Loss on Asbestos Plant

ST. PAUL, April 12.—St. Paul's most unusual fire this year was the burning of an asbestos plant Sunday. A warehouse used by the Twin City Pipe Covering Company, stocked with asbestos, asbestos cement and other prepared pipe covering, was destroyed with an estimated loss of \$100,000. The fire department was handicapped by the heavy smoke and was several hours in getting the blaze under control.

The same day a frame building at the children's preventorium north of the city was partly wrecked by a roof fire. Loss in property was about \$20,000 and one fireman was killed.

Fix Consumers Company Loss

MINNEAPOLIS, April 12.—An appraiser's board investigating the fire of the Consumers Supply Company in Minneapolis, which occurred Jan. 1, fixed the loss at \$219,962. The original claim of the company was \$261,000, but the board determined that \$30,000 of the stock could be salvaged and that other losses could be cut. The appraisers acted under orders of the district court. They were Nathan H. Chase and Josiah E. Brill, with John N. Berg as umpire. The damages awarded will be considered by the seven companies involved and the Consumers Company.

Hail Meeting at Fargo

FARGO, N. D., April 12.—Members of the advisory committee of the Western Hail & Adjustment Association will meet in Fargo, April 18-19, in the Commercial Club. This is one of a series of meetings called to afford opportunity to go over the hail situation in the various states comprising Western Union territory. E. V. Neuberger of the Hartford and C. V. Wilson, Great American, both of Fargo, are in charge of arrangements for the session here. Some 75 or 100 adjusters and field men are expected in Fargo for this meeting.

Little Legislation in Wisconsin

MADISON, WIS., April 12.—Insurance legislation is not progressing far in the Wisconsin legislature this year, there being few bills which are passing both houses. State insurance is being hit, as the legislators apparently are not in favor of putting the state in the insurance business to any greater extent than it already is. The bill which would permit the state to write fire insurance on farm buildings was withdrawn from the senate where it was to have had a hearing last week. Another bill which would have permitted the state to write insurance on private property was indefinitely postponed by the assembly committee.

The agents' license bill, which specified qualifications insurance agents must have, was recommended for indefinite postponement also by the assembly committee, which held a hearing on it last week.

Vote Down Increase for Firemen

MILWAUKEE, April 12.—Firemen and policemen in Milwaukee will not receive an increase of \$30 per month in their pay as the referendum vote on the pay increase was decisively defeated by the voters.

Alderman William I. Greene, chairman of the council finance committee, and member of the Greene Bros. & Hansen agency, was the only alderman who opposed the resolution submitting the raise to a vote of the people. He was the only one who sensed public opinion and he urged the people to vote against it.

Alderman Greene is not against adequate pay for firemen and policemen but believes the matter should have been dealt with by the council.

Receiver for Vance Agency

MILWAUKEE, April 12.—The David Vance Co agency of Milwaukee has been placed in receivership on the petition of the Gaedke-Miller agency, one of the large agencies in Milwaukee and state agent for the Maryland Casualty. County Supervisor A. W. Foster was appointed receiver.

The petition of the Gaedke-Miller agency cites that the Vance company was indebted to it in the sum of \$5,400 and that it believed that the Vance company was in arrears in payments to various creditors to the amount of about \$15,000.

The Vance company is one of the oldest marine insurance agencies on the Great Lakes.

Has Both Dakotas

Frederick Sebold has been given supervision over the two Dakotas as state agent for the Royal and Newark. North Dakota was formerly handled along with Minnesota under the supervision of State Agent Wm. H. Unger.

Dakota Notes

Members of the fire department of Wyndmere, N. D., have volunteered to use \$250 which they have in their treasury for the purpose of acquiring new fire fighting equipment if the city will set aside a like sum.

B. Frank Brockhoff, 64, prominent in Grand Forks, N. D., city and state politics for many years and secretary-treasurer of the Pioneer Insurance Agency,

died in a Grand Forks hospital after an illness of several months.

Fire destroyed the Foogman drug-store building and the J. J. O'Brien building at Grafton, N. D., both frame structures. The stock in the Victor Monson jewelry store, located in the O'Brien building, was successfully removed but a large part of the stock in the Foogman store could not be taken out and was destroyed.

Fire destroyed seven buildings, practically the entire business area of the village of Dodge, N. D., with an estimated loss of \$80,000. The buildings destroyed included the Dodge State Bank, Dodge hotel, Bohrer general store, Joe Jacob's general store, Dodge Mercantile Company, Dan Fix billiard hall and Wolf meat market. Insurance carried may cover a third of the loss.

Minnesota Notes

J. C. McKown, secretary of the St. Paul Fire & Marine, is making a month's business tour of western Canada. F. R. Bigelow, president of the St. Paul, has been in the east since the first of the month.

The second trial at St. Paul of Victor Schloff, tailor and haberdasher, resulted in a conviction on a charge of third degree arson. Schloff was accused of setting fire to his place of business in the downtown district last July. The jury in the first trial disagreed.

Kenneth A. Butler has been selected to head a special insurance department created by the Abbott-Miller Co., realtors in St. Paul. Mr. Butler has been connected with his father in Indianapolis in the insurance business and for some time was with the National Surety in the Twin Cities.

Fire losses in Duluth in March reached an aggregate of \$131,108. The insurance coverage on the properties affected was \$372,400 and its value was placed at \$559,140. The fire warden inspected 1,006 premises last month. A number of frame buildings in various parts of the city were ordered torn down as fire menaces.

IN THE MISSOURI VALLEY

ANNUAL MEETING IN KANSAS

Blue Goose Elects New Officers and Initiates Goslings at Gathering in Topeka

TOPEKA, April 13.—The annual meeting of the Kansas Blue Goose was held in Topeka last week, at which time the membership was increased by the initiation of 11 goslings. N. K. Nelson of the Great American was elected most loyal gander; V. E. Herbert of the National Ben Franklin, supervisor; E. D. Patton of the Northern of London, custodian; H. T. Stephens of the North America, guardian; L. B. Burt of the Preferred Risk, welder; Glad Marshal of the Springfield, keeper. Retiring Loyal Gander J. M. Harris was elected as delegate with O. D. Butcher to the grand nest meeting in Dallas next fall.

Two members were extended the best wishes of the pond owing to flights: W. B. Winchell has been transferred to Kansas City, Mo., as state agent of the North British & Mercantile fleet and H. G. Hix is removing to Tulsa, Okla., to manage a local agency.

Nebraska Bill Favored

LINCOLN, NEB., April 13.—Senate file 127, which amends the valued policy by providing that where excess insurance has been secured the company will not be required to pay more than the value of real property destroyed and may repair or replace it, has been favorably recommended by the committee, and will be considered during the next week. A similar bill in the house was amended to provide that the excess premiums should be returned to the insured, with 6 percent interest, but it was not favorably received. The outlook for the legislation is not very bright.

Cooperatives Are Exempted

LINCOLN, NEB., April 13.—The house has passed a bill providing that the gross premium tax on fire insurance companies shall not apply to assessment or mutual companies having no capital stock. When the bill was originally passed the legislature intended to make this exemption and the law is purely corrective in character.

COMPANY MUST PAY THE LOSS

Held by Court to Have Ratified Local Agent's Unauthorized Act in Assignment of Policy

In L. Terry & H. Rosenberg vs. American, supreme court of Iowa, 211 N. W. 716, the company issued a policy covering merchandise and fixtures to one Fett. Fett sold out to plaintiffs and assigned the policy. This assignment was endorsed by the agent in proper form.

Following this a loss occurred, and the defendant was notified. It sent an adjuster who looked into the matter and was informed of the purported assignment of the policy. In addition the defendant received notification of the assignment by letter from one Mr. Hart and attorney for the plaintiff. The defendant, however, denied liability on the ground that the assignment was unauthorized and that its agent exceeded his authority in endorsing the assignment.

Assured Got the Verdict

On trial a judgment was rendered in favor of the plaintiffs. On appeal the higher court in reviewing the record and in affirming this judgment said:

"It will be noted . . . that the adjuster employed by the defendant to give attention to this particular loss knew of the assignment of the policy and of the giving in form of defendant's consent thereto by defendant's agent. Defendant also through its general agent knew from Mr. Hart's letter that the insured had sold the insured property to plaintiffs, and transferred the policy with the property to them, and that it was because thereof that the plaintiffs were claiming the insurance. The knowledge thus acquired by the adjuster was the knowledge of the defendant.

Ratified Act of Agent

"We are of the opinion that the defendant must be held to have ratified the act of its agent in granting its consent to the assignment of the policy. Further, if the question were one of forfeiture, then on the fact related defendant ought not to be permitted to deny that



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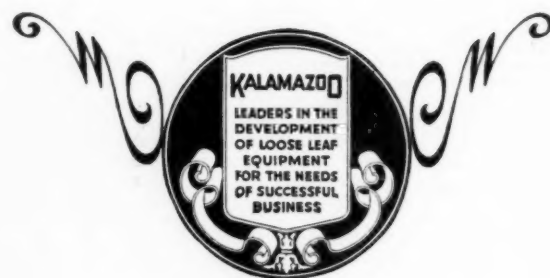
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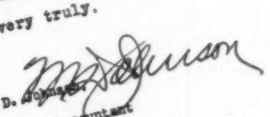
Gentlemen:

Our use of Kalamazoo equipment dates back a good many years. The original installation was a style "C" binder for our General Ledger in corduroy and leather. This has seen service year after year and we have bought a good many transfer binders in which to file away the filled ledger pages.

From time to time we have ordered different style binders for our different needs and now use for our Collection Register of due and unpaid premiums five leather binders size 17x11 with corresponding transfer binders. On the current year binders we have adopted your strap lock device to prevent entries being made by any unauthorized person. Our Voucher and Check Register sheets 15x12 are filed in your style "H" binder. Our current Suspense record, which is a subsidiary ledger of the General Ledger account, on a sheet 11x8 1/2 is filed in your binder.

You have a very neat permanent transfer binder which we order at the close of every year to file away the past year's cash journals. The locking post prevents removal of any sheets once the binder is put together.

We have been very well pleased with the stock and printing you have furnished us in the forms needed for these various binders.

Yours very truly,

M. D. Johnson
Chief Accountant

MDJ:MH

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the assignment and consent were in full force and effect, or that the policy, so far as Land's authority was concerned, was a valid contract in the hands of the plaintiffs.

Limitations Were Exceeded

"Land was defendant's agent and countersigned the policy. He was furnished with matter advertising him as agent. The defense is merely that he exceeded the limitation upon his authority. It is undisputed that defendant acted with full knowledge and intentionality, and the attitude assumed toward plaintiff was intentionally taken. One is presumed to intend the natural consequences of his own acts.

"We have assumed for the purpose of the discussion that Land, though defendant's agent, exceeded his authority originally in giving consent. . . . The judgment is affirmed."

Kansas Agents Are Warned

Insurance agents in Kansas are going to feel the iron hand of the new Kansas insurance code just as soon as they start "acting up" after the new insurance code becomes effective. This will be about June 1 and the department and some of the companies are in thorough accord on the plans to eliminate these agents from doing business in Kansas under their own peculiar high pressure methods.

All insurance agents who have their licenses for 1927 will not be disturbed for the present year or required to submit to any tests or examinations during this year. Their licenses may be renewed in 1928 without delay or requirements but the commissioner can call in these agents and require them to submit certain facts relative to their right to sell insurance in this state. Supt. Baker is sending out to the agents a copy of the various sections of the new insurance code relative to the licensing of agents and the restrictions which the new code puts upon them.

Warns High Pressure Promoters

Superintendent Baker of Kansas is sending to the promoters of insurance companies in that state and also to stock salesmen who have had a hand in promoting some of the companies, some excerpts from the new insurance code that are expected to stop the operations of many promoters. In fact the new law is intended to drive the high powered promoters out of the state so far as insurance companies are concerned, as the new code does not permit the organization of insurance companies on a shoe-string or the promotion of companies for money making purposes entirely. The new code places complete jurisdiction over the organization of insurance companies in the hands of the department and also limits the commissions that may be paid to stock salesmen to 5 percent of the capital of the company and none for any paid in surplus.

St. Louis Bowling League

ST. LOUIS, April 12—The Muckerman & Cushman team won the championship of the first season of the Insurance Bowling League of St. Louis, Mo., which came to an end the past week.

The final standing of the league was as follows:

Team	Won	Lost
Muckerman & Cushman.....	41	22
American Central, Jr.	34	29
Commonwealth.....	34	29
American Central No. 1.....	33	30
Lawton-Byrne-Bruner.....	31	32
Markham & Co.....	30	33
Insurance Agency.....	28	35
Hoffman, Son & Co.....	21	42

Walter Wind of the Commonwealth team proved the best bowler of the league, ending the year with an average of 177, one pin more than the 176 obtained by Walter Patterson, the ace bowler of the Muckerman & Cushman champions. John Lutz of Commonwealth was third high with 170 as an average.

Iowa Blue Goose Luncheon

DES MOINES, April 12—At the Blue Goose luncheon Monday, O. W. Follett of the London Assurance was the speaker. He stressed especially the need of a uniform policy system among the

several states, and some of the problems that grow out of coinsurance. A general discussion followed, in which the thought was expressed that not only would a uniform policy touching the several lines of insurance be desirable and highly practical, but a simplified policy would likewise avoid much confusion when it comes to adjusting losses.

Most Loyal Gander F. R. Sherman announced that Most Loyal Grand Gander Wirt Leake will be present at the annual meeting of the Iowa Pond Friday night and deliver an address after the installation of goslings and election of officers, following the annual dinner. Mr. Sherman urged a large attendance.

Defines Admitted Assets

LINCOLN, NEB., April 13—The house has passed H. R. 575, providing a method of ascertaining the reserves of fire and automobile insurance companies. It provides that they shall be allowed as assets only such investments, cash and accounts as are authorized by law at the date of their examination, but that premium notes and unpaid premiums on policies written within three months shall be admitted as available resources.

S. F. 97, which makes it incumbent on cities maintaining volunteer fire departments to make provision for or to pay out of their own treasury compensation for men injured while on duty, has been passed by the house, and will speedily become a law.

Kansas Pond Meets

TOPEKA, April 13—The regular meeting of the Kansas Blue Goose was held in Topeka Monday with 35 members in attendance, in addition to D. A. Chambers of Wichita and W. A. Scanlon of Chicago.

Announcement was made of the birth of a daughter, Rosemary, to Mr. and Mrs. L. L. Gaines. Mr. Gaines is special agent of the Hartford Fire.

Heart of America Blue Goose

KANSAS CITY, MO., April 12—The Heart of America Blue Goose had several guests at its luncheon here Monday. Fred D. Hess, assistant manager of the western department of the American, spoke on his underwriting experiences and his hopes for 1927. Paul Terry, manager of the Rating Bureau at St. Louis, was a guest and spoke briefly. O. T. Nuckles of the Springfield gave an outline of a recent trip which he made into the interior of Mexico. A representative group of Kansas City local agents were present.

Announcement was made of the plans for the reception of Most Loyal Grand Gander Wirt Leake, who will visit the local pond April 16, when the annual meeting and election of officers will be held in the afternoon. A delegation from the Kansas pond is expected at the meeting.

Will Reinspect Sedalia

KANSAS CITY, MO., April 12—The Missouri State Fire Prevention Association will hold reinspection of Sedalia April 27-28. J. Burr Taylor will go to Sedalia this week to make arrangements for the meeting. This is the second reinspection the association has made, following a plan adopted at the annual meeting last fall.

The Inter-Chamber Fire Waste Contest committee of the Fire Prevention Association will go to Jefferson City this week to confer with the Chamber of Commerce of that city. The purpose of the conference will be to work toward the inauguration of activities in the Jefferson City chamber on the line of a 1927 fire prevention program.

Show Good Cooperation

As an example of the fine cooperation that state fire prevention associations are now receiving from city officials, the case of the mayor of Newton, Iowa, is cited by C. W. Borrett, secretary of the Iowa association. Following an inspection of the town on Jan. 28, the customary recommendations for improvements, where defects were found, were made to the owners of the properties. Due to the fact that some of the people were not taking hold of the matter as they should, the mayor issued peremptory orders last month to the delinquents that all fire hazards found on their premises at the time of the inspection must be complied with before April 1. The result was that comparatively few properties were left the first of the month on which all the corrections recommended by the fire

preventionists had not been complied with.

Nebraska Notes

Fire of unknown origin destroyed the Nye-Schneider-Jenks elevator at Eldorado, Neb., together with coal sheds. The elevator had been closed for more than a year and no night watchman had been employed. The total estimated damage is \$10,000.

The frame elevator of the Farmers' Union at Blue Springs, Neb., was struck by lightning Friday, and the building and 8,000 bushels of corn and oats it housed entirely destroyed. The company estimates the loss at \$14,000, covered by \$5,000 insurance.

The Glenwood elevator, four miles north of Kearney, Neb., and owned by the Farmers Grain & Live Stock Company, together with a detached office building and 5,000 bushels of stored corn, burned April 7. The cause has not been determined. The loss is estimated at \$12,000, half of it covered by insurance.

Missouri Notes

Arthur A. Bindbeutel of St. Louis has been appointed a No. 2 agent for the Aetna and Rhode Island. He is in the real estate business.

As shown by the report of Chief Alex Henderson of the Kansas City fire department, the fire losses for the first quarter of 1926 were \$152,949 less than for the corresponding period of last year.

Henry Skaer, popularly known as "Pop" Skaer, the insurance printer of St. Louis, died last week. Mr. Skaer as a printer has specialized in serving the insurance fraternity and knew every promi-

nent insurance agent of the city personally.

Kennedy Williams and W. E. Pollard of Frankford have purchased the Tinsley & Tinsley agency at Bowling Green, Mo., managed by James Tinsley. Mr. Williams will move to that city to take charge of the business. The Tinsley agency was the oldest in the community, the grandfather of Mr. Tinsley having established the business.

E. F. Chapman, formerly a member of the Willmann-Chapman Agency of Clayton, Mo., has retired from that firm and joined the Mercantile Insurance Agency of St. Louis as a solicitor. John F. Willmann will continue the Clayton agency as the John F. Willmann Agency, representing the Camden and Milwaukee-Mechanics as a Class 3 agent.

Barney Fradenburg of Kansas City, president of the Missouri Association of Insurance Agents, will go to Chicago next week to attend the mid-year conference of the National association. T. S. Ridge, Jr., president of the Kansas City association, and James B. Wallace will go as representatives of the local association.

Fire in an 8-story brick building occupied by the St. Louis Moving & Storage Company at Duncan and Boyle avenues, St. Louis, Mo., did damage estimated at upwards of \$50,000 to the furniture stored and additional \$50,000 to the so-called fire-proof structure itself. The blaze started in a packing room on the first floor but soon spread through the building, filtering up the elevator shaft and also through holes in the concrete floors formerly used in the installation of brewery machinery.

Fredonia will be inspected by the Kansas State Fire Prevention Association, April 27.

STATES OF THE SOUTHWEST

TEXAS OUTLOOK NOT BRIGHT

Farmers Are Still Suffering From Effects of Serious Drop in Cotton Price Last Year

DALLAS, April 13.—The companies' record in Texas for 1926 was, from an underwriting standpoint, far from satisfactory, though it is conceded that a slight improvement over 1925 as regards the loss ratio was made. Few companies show an underwriting profit while a number evidence a heavy underwriting loss and many others merely "break even." The record cotton crop grown at a very high cost and the very low price of the staple brought bankruptcy and ruin to the cotton planters, resulting in a very serious depression in the towns of the agricultural sections which embrace nearly the whole of the thickly-populated areas of the state.

The outlook for the present year is not cheering. A favorable crop year with a satisfactory price will be required to restore the farming industry, the backbone of Texas' prosperity, to anything near normal. The losses for the first three months have been excessive and little can be hoped for in time to save the situation in 1927. The companies are seeking an increase in rates, but there seems to be no prospect of relief from that source, there being an organized effort on the part of chambers of commerce and other organizations to oppose the move. All possible pressure is being brought to bear with intent to keep down rates.

Texas Convention Plans

DALLAS, April 12—Ray McDowell has been appointed general chairman of all committees looking toward the completion of plans for the annual convention of the Texas Insurance Agents to be held in Dallas in June. The publicity committee includes Walter Hill, chairman, Dallas Smith and C. R. Burton. In their publicity work they will seek the aid of all state and special agents who travel the Texas field.

Commissioners Dallas Guests

DALLAS, April 12—The new insurance commissioner, T. M. Campbell, Jr., and the other members of the State Fire Insurance Commission of Texas were guests at the combination luncheon of the local agents of Dallas and the Blue Goose here Monday.

IMPORTANT DECISION GIVEN

Case Involved Property Where Committee of Creditors Assisted the Owner in Its Management

The United States Circuit Court of Appeals in the fifth circuit has decided the case of the St. Paul Fire & Marine vs. Nelson, whereby it holds that a fire policy is not violated by the insured having a committee of creditors to help manage his business. In this case in error from the district court for the northern district of Texas, the court holds that where the owner of a business has agreed with his creditors to allow them to assist in the management and to pay them such sums as conform to good business policy he may nevertheless effect a valid policy of fire insurance on the fixtures which contains a clause requiring "full ownership." It was contended by the company that the policy covered only those articles incidental to a pharmacy and therefore did not cover furniture and fixtures used for the sale of sandwiches, soda water, etc.

The court says that it is plain from the reading of the policy that the word "pharmacy" was part of the plaintiff's trade name and is without significance as restricting the property covered.

Creditors Advised Owners

It appears that sometime prior to the issuance of the policy in suit plaintiff had suffered damages from another fire, following which, on February 7, 1924, he entered into an agreement with nearly all his creditors by which two of the large creditors agreed to contribute part of the insurance money coming to them for the purpose of repairing the fixtures in the store and all the creditors agreed to extend their credits for from 90 days to a year, and in certain contingencies for an additional year. This agreement provided for a creditors' committee of three to advise plaintiff in the prosecution of his business and to supervise the performance of the agreement. Plaintiff agreed to turn over to this committee from time to time such amounts as they should deem proper and not prejudicial to the continuance of his business, after paying his current obligations and instalments due on certain mortgage debts, to be distributed pro rata to the unsecured creditors. It is contended by defendant that this agreement violated the terms of the policy above set out.

As this agreement was executed before the policy, it, of course, could not increase the risk nor does it show that

the interest of the plaintiff was other than full ownership in the property insured. Furthermore, it is not shown that defendant made any attempt to conceal the agreement or the fact that there had been a previous fire. It was not error for the district court to exclude this agreement from consideration by the jury and to refuse defendant's special request based thereon.

Proof of Loss Cited

It also appears that after the fire plaintiff presented a proof of loss to defendant in which he fixed his total loss at \$30,750. Plaintiff offered this document in evidence for the purpose of showing compliance with the terms of the policy, and it was admitted over defendant's objection. The proof of loss had been made up after consultation with French, an independent insurance adjuster, who testified that the adjustment of this particular loss had been referred to him through the general agent of the defendant.

Value of the Property

In connection with the cross examination of French this proof of loss was again offered in evidence by counsel for defendant for the purpose of showing estoppel of the plaintiff to claim more. There was evidence from the plaintiff that he had signed and sworn to the proof of loss because of the representation of French that the loss would be paid promptly and that his actual loss amounted to something over \$41,000. There was evidence from a number of other witnesses variously estimating the value of the property destroyed, all exceeding the amount shown by the proof of loss. To all of this evidence objection was made and separate errors are assigned to its admission.

Evidence Was Ample

As it is quite evident that in rendering its verdict for the proportion the policy here bore to the other insurance the jury held plaintiff to the amount shown in his proof of loss and there was ample evidence tending to support the verdict. In the circumstances no prejudicial error is shown in the admission of any of this evidence.

Other errors assigned are so wholly without merit that it is unnecessary to refer to them.

We find no error in the record. Affirmed.

Schedule Annual Meeting

The Arkansas Association of Insurance Agents will hold its annual meeting at the Marion hotel, Little Rock, May 10. The Arkansas Association of Insurance Agents is the original organization in the state. At the annual meeting of the association last year a considerable faction split off because of the bank agency question and organized another association, the Arkansas Insurers Association, which has been recognized by the National association.

Texas March Losses

AUSTIN, TEX., April 12.—Fires caused by smoking and careless use of matches caused the greatest fire losses from known causes in Texas in March, a report from State Fire Marshal Holton disclosed. These two totaled \$136,593 in damages to property. Conflagrations from unknown causes show the greatest loss, \$344,750, while fires of incendiary origin amounted to \$72,973. Defective wiring, short circuits and other causes involving electricity were responsible for \$16,287 of the losses; explosions, \$63,480; natural and artificial gas, \$29,611; stoves, furnaces and boilers, \$61,437; petroleum and its products, \$10,545; defective chimneys, \$27,834; sparks on roofs, \$5,572.

Arkansas Firemen's Pension Tax

LITTLE ROCK, ARK., April 12.—Fire departments in 55 cities and towns in Arkansas will receive \$53,194 from the 1926 firemen's pension fund tax, according to the report of collections for that fund filed with the auditor by Insurance Commissioner Maloney.

The firemen's pension fund is derived from half of a 2 percent tax levied on premiums paid to foreign insurance corporations in cities and towns having organized fire departments.

Texas Credits and Penalties

AUSTIN, TEX., April 12.—The Texas State Fire Insurance Commission has announced credits and penalties on additional towns as a result of their loss

ratios for the past three years, as follows:

Six percent credit, Kaufman, Trinity, Maypearl; 9 percent, Coleman, Itasca, Manard, Columbus; 12 percent, Alvin, Clarendon; 15 percent, Alamo, Beckville, Blessing, Bloomberg, Bradshaw, Canadian, Chillicothe, Clifton, Dayton, DeKalb, Gruene, Hearn, Irene, Luling, Mt. Vernon, Mercedes, Pampa, Port Lavaca, Richardson, Richmond, Rockport, San Juan, Stephenville, Taft, Sebastian, Throckmorton, Seadrift, Goose Creek, Desdemona, Pally, Westbrook, Knox City, Tulla and Texas City.

Three percent penalty, Quanah, Lewisville; 6 percent, Pharr, Colorado, Commerce; 9 percent, Silverton; 12 percent, Liberty; 15 percent, Atlanta, Coolidge, Pleasanton, Tehuacana, Cotulla, Roaring Springs, Royce City, Omaha, Killeen.

Towns with average loss ratios, receiving neither credit nor penalty, were Cisco, Santa Anna and Bremond.

Farm Losses in Texas

DALLAS, April 12.—Farm losses in Texas were augmented the past week by severe losses at Stamford, Hillsboro, Sulphur Springs and Littlefield. Some companies have been rapidly canceling farm business throughout the state in recent weeks, including one which last year about this time was making a bid for all of the class its agents could secure. Low price of cotton, however, has brought in its wake an inevitable train of heavy farm losses and lines on all farm-writing companies are being drawn tighter with each week's report of aggregate losses sustained. Executives of several companies have gone over the territory with their general and state agents recently and drastic instructions have been left for the guarding of farm net lines.

Texas Storm Losses Heavy

Damage in excess of \$2,000,000 in the east Texas fruit belt was done last week by a wind and hailstorm which swept over parts of five counties and did heavy damage to strawberries, tomato plants and other fruits. Some houses were blown from their foundations and the roofs of many houses and barns were demolished by the hailstones. Adjusters from Dallas spent the week end in Wood, Harrison, Cherokee and Franklin counties in an effort to hasten settlement of the many claims.

Wave of Dwelling Losses

DALLAS, April 12.—The wave of dwelling losses noticeable throughout Texas since the first of the month showed no signs of abatement the past week. Gainesville, Denton, Burkburnett, La Grange, Lampasas and Nocona were outstanding examples, with losses running \$25,000 to \$30,000. Where companies writing moderate-sized dwellings in Texas made a substantial profit that offset mercantile losses, the last few months have become increasing unprofitable for most of the companies writing the class heavily.

Inspecting Durant, Okla.

OKLAHOMA CITY, April 12.—The Oklahoma Fire Prevention Association indulged in the greatest activities of the year within the last few weeks, according to James A. Atkinson, secretary.

A meeting is being held this week at Durant, said by Mr. Atkinson to have the most disastrous record of any town in the state. Experience of companies that submitted results for five years reveals a loss ratio of 110 percent, including outside business, but not embracing experience of companies that have withdrawn from the town. The fire chief estimated 50 percent of them were of incendiary origin, attaching some blame to over-insurance and too quick and liberal adjustments.

A local board has been formed there which is to receive the cooperation of the local retail credit men's association in eliminating persons with bad credit.

Texas Notes

The National Guaranty of Newark, N. J., has been licensed in Texas.

Chairman A. L. Reubel of the Dallas Fire Prevention Council has announced elaborate plans to observe Fire Prevention week.

Elliott Middleton, secretary of the Patriotic, has been in Dallas the past week, conferring with the company's general agents, Reinhardt, West & Co.

D. G. Foreman, secretary of the Texas Association of Insurance Agents, and R. W. Thompson, president of the Dallas association, will attend the mid-year meet-

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No. 97, Expansive Policy Files. This style has sufficient expansive capacity to admit twenty-five or thirty policies and documents. The envelope is made of tough stock, having two bands of rubber at either end for holding policies securely. A record of companies, expirations, etc., is printed on the inside of flap. Prominent space is reserved for advertising card. Size, 4 3/4 in. wide by 10 1/4 in. long. Prices: 500, \$57.00; 100, \$12.00; 50, \$6.60; 25, \$3.30; 12, \$1.60.

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SOUTHERN FIELD

TENNESSEE FIGURES IN 1926

Total Premiums for All the Fire Companies in the State Amounted to \$13,369,158

The total premiums of fire companies in Tennessee last year amounted to \$13,369,158 with losses \$8,222,798, making an average loss ratio of 61.51 percent. The premiums of Tennessee companies, there being only two, the Tennessee and the Tennessee Farmers Mutual, were \$114,683 with losses \$61,307, or a loss ratio of 53.46 percent. The premiums of domestic stock companies were \$10,824,563 with losses of \$6,820,234, or loss ratio of 63.01 percent. The premiums from other state mutuals were \$298,715, losses \$126,567, or loss ratio of 42.37 percent. The premiums of foreign companies were \$1,957,304, losses \$1,120,599, loss ratio of 57.27 percent. The reciprocals had premiums of \$173,893, losses \$93,691, loss ratio of 53.88 percent. The state leaders are as follows:

	Net Premiums	Losses Incurred
Aetna	603,263	\$ 424,291
Agricultural	83,722	60,062
American	198,410	152,729
American Eagle	132,496	111,787
Automobile	348,478	290,592
Camden	99,857	60,306
Connecticut	97,780	69,482
Continental	572,729	412,692
Fidelity-Phenix	267,934	184,017
Fire Ass'n.	133,643	63,748
Fireman's Fund.	181,958	100,832
Firemen's	244,339	143,800
Franklin	114,249	84,587
General Exchange.	125,049	32,231
Globe & Rutgers.	245,935	179,718
Great American.	220,960	120,710
Hartford	531,490	319,725
Home, N. Y.	886,133	469,029
Insur. Co. No. Amer.	566,175	380,100
Mercantile	96,532	29,686
Milwaukee Mech.	80,755	53,149
National Fire, Conn.	203,738	68,095
Natl. Ben Franklin.	112,993	51,358
Natl. Liberty	138,621	105,191
Natl. Union	406,063	261,835
New York Under.	241,099	200,564
Niagara Fire	154,915	101,047
North River	107,205	36,313
Pennsylvania	88,729	46,423
Phoenix, Conn.	164,248	115,284
Providence-Wash.	108,172	60,120
Queen	188,608	90,017
Security, Conn.	95,245	33,594
Springfield F. & M.	265,495	176,481
St. Paul F. & M.	167,458	80,079
Superior	107,561	64,164
Travelers Fire	150,355	72,028
United States	141,720	56,602
Westchester	181,001	101,171
Commercial Union.	102,006	53,352
Liv. & Lond. & Gl.	181,049	106,200
London Assurance.	82,487	55,928
North British & Mer.	138,160	69,632
Northern Assur.	116,632	68,925
Royal	319,266	204,114
Scottish U. & N.	64,618	52,190
Sun	111,614	52,037

HOME IS FIRST IN VIRGINIA

Tabulation by Bureau of Insurance Gives Leaders for 1926 in Fire and Total Business

RICHMOND, VA., April 13.—The Home of New York led all other companies in the amount of net premiums received from fire business written in Virginia in 1926, according to figures tabulated by the Virginia bureau of insurance. Its net premiums totaled \$437,613. The Aetna was second with \$406,752. The Home incurred net losses of \$180,858 compared with \$201,846 incurred by the Aetna. Net premiums and net losses of other leading companies were respectively as follows: Hartford, \$345,077, \$314,981; Liverpool & London & Globe, \$310,076, \$166,672; Virginia Fire & Marine, \$305,188, \$166,772; Fidelity-Phenix, \$290,225, \$145,718; Globe & Rutgers, \$285,836, \$235,031; Continental, \$274,003, \$89,041; Great American, \$268,364, \$83,995; North America, \$266,751, \$83,471; National of Hartford, \$240,201, \$108,431; Royal, \$227,551, \$100,988; Automobile, \$216,033, \$197,426.

The Home also topped all other companies in net premiums received from all lines written, the total being \$520,327, compared with total net losses on

ing of the National association in Chicago, April 19-21.

R. D. Coughanour, Jr., general agent of Dallas, was married last week to Miss Mildred Mensie of St. Louis. Gary Stickles of Reinhardt, West & Co., general agents of Dallas, a cousin of the groom, was his attendant.

Fire last week destroyed the Baker & Mason gin at Littlefield, Tex., with loss of about \$25,000, partially insured. Only a few days previous the Taylor gin at Yellow House, Tex., was entirely destroyed by fire.

Stokes D. Bishop, formerly of the firm of McKnight-Bishop, has withdrawn and established separate offices in the Kirby building at Dallas to represent the affiliated companies of the Aetna Life group. Rufus N. McKnight will continue the old agency in his own name.

Miscellaneous Notes

Decree dissolving the Barrington Mutual Windstorm & Cyclone Insurance Co., Barrington, Ill., has been entered by the circuit court of Cook County. This is a farm mutual.

The Martin & Fisher and Irby agencies of Walnut Ridge, Ark., have effected a merger. The Irby agency will be moved into the Martin & Martin offices.

all lines of 229,999. Total net premiums of the Aetna from all lines were \$432,071 compared with net losses of \$205,265. Other companies with net premiums on all lines exceeding \$300,000, together with net losses, are as follows: Hartford, \$367,113, \$318,104; North America, \$355,765, \$163,333; Liverpool & London & Globe, \$328,491, \$175,442; Fidelity-Phenix, \$306,541, \$149,922; Virginia Fire & Marine, \$305,506, \$167,300.

DECIDES AGAINST COMPANIES

Court Held Records Kept by Lumber Company Were Adequate to Indicate Loss

CINCINNATI, April 13.—The United States circuit court of appeals here last week affirmed the judgment of the federal court at Memphis, awarding \$32,000 to G. L. Marshal and L. G. Neely, owners of a lumber firm at Glendora, Miss., against the Hartford Fire, Commercial Union of England, Commercial Union of New York and Home Fire & Marine. Marshal & Neely frequently had large amounts of lumber on hand at the mill. The Dacas Lumber Company, owned by A. P. Dacas of Memphis, loaned large sums of money to Marshal & Neely, for which it was given a lien on the firm's lumber. The policy contained a loss payable clause providing that any loss or damage should be payable to the Dacas Lumber Company.

Companies Denied Liability

After the fire which destroyed practically all the lumber on April 24, 1925, the companies denied liability in the loss which ensued, the companies contended that Marshal & Neely did not keep adequate inventories showing the various classes of lumber. The court held that since the amount of lumber was accurately shown "log run" this was sufficient and carried a definite idea of the value of the lumber to a lumberman. The court held that the books were accurately kept and in better shape than the books of most saw mill concerns. The insurance companies contended that the loss payable clause to the Dacas Lumber Company as its interests might appear was insufficient and that the clause should have been to the Dacas Lumber Company as mortgagee. The court held that this contention was unsound and further held that the contract between these parties did not constitute a chattel mortgage.

Button to Head Merged Bureau

Consolidation of the bureau of insurance with the division of banking, provided for in a bill which passed the general assembly of Virginia, does not become actually effective until 90 days after passage of the bill. The combined bureaus will be directly under supervision of the state corporation commission. The head of the new department will be known as director of banking and insurance and will be appointed by the commission. Commissioner Button, head of the bureau of insurance since it was created in 1906, is slated to be director of the merged bureaus.

Tennessee Compulsory Investment Bill

Among new bills introduced in the Tennessee legislature since its reassembling on March 28 is one calling for 75 per cent of legal reserve of all insurance companies, fire and life, to be invested in Tennessee securities. The bill sets out the type of securities that would be legal investments under the law, which would be state, county and municipal bonds, and for first mortgage real estate notes, first mortgage corporation bonds to be valid investments.

Form New Tennessee Local Boards

Geo. A. Caldwell and Henry G. McMillan, both of Knoxville, the one vice-president of the Tennessee Association of Insurance Agents, the other of the National association, have been making a trip through east Tennessee in the in-

terest of those associations. They succeeded in organizing boards at Johnson City and Kingsport with W. B. Harrison, president, and Phil McAfee, secretary, of the Johnson City board, and E. J. Brownell, president, and E. C. Price, secretary, of the one at Kingsport. In addition to this, they secured some new members in the smaller towns. But probably the most interesting thing in connection with that trip was the optimism it inspired in both Mr. Caldwell and Mr. McMillan. The latter, in writing a report of their activities, winds up thus:

"This trip was an inspiration to me and has given me great courage and a new hope for the future of our business."

Gets New Members

The Georgia Association of Insurance Agents now has 293 members. C. H. Doscher, field representative for the National association, was in the state in February, adding 58 new members to the list.

Windstorm Losses in Kentucky

A severe windstorm, which had the characteristics of a tornado, did much damage in several counties of Kentucky, the loss in McLean county alone being estimated at \$50,000. The force of the storm was the greatest in the vicinity of Calhoun, Ky., several buildings also being destroyed at Boehlers' Knobs and in the vicinity of Nuckolls and Livermore. It also struck at various points in Daviess and adjacent counties and unroofed several school buildings at Glasgow.

Tennessee Legislative Outlook

NASHVILLE, April 12.—The Tennessee legislature has some 15 more days in which to grind out bills. They have been many already and of various nature. The measure, called the "contributory negligence" law, which put the blame for an automobile accident on the driver solely, has been tabled and probably will not be brought up again. The "compulsory law" has been returned by the committee with certain recommendations and is doubtful of passage.

Repeal of the valued policy law is probable, as this is sanctioned by the insurance commissioner, provided the measure carries with it a provision that each agent writing a policy on a building shall have inspected same and familiarized himself with its physical conditions. The agents do not see, apparently, any hardship in this requirement and feel that it requires no more than the majority of them at least are already doing.

Ask Data on Self-Insurance Plan

School trustees of Calgary, Alta., Canada, have requested to be supplied with information as to South Carolina's system of insuring its public buildings. The legislature of that province is now in session and is said to be considering a bill for self-insurance of its institutional plants. All school buildings in South Carolina are included in its system of self-insurance. Insurance totaling \$32,000,000 is now carried on all public buildings in the state, it is said.

Lose Suit on "Iron Safe Clause"

AUGUSTA, GA., April 12.—A verdict for approximately \$15,000 was awarded Jack Schneider, prominent Augusta merchant, in a suit against the Massachusetts Fire & Marine, and the Firemen's of Newark in the United States court here, involving policies on a stock of goods in a department store at Fairfax, S. C., owned by Schneider. The companies defended on what they claimed was a violation of the "iron safe clause." They contended that a merchant was required to keep an itemized list of his daily cash sales, as well as a book record of the profit made on each sale, and that no evidence could be introduced to show the profits on a sale which was not shown on the books. The question of profit was considered of importance in determining the amount of stock on hand at the time of the fire.

The court permitted evidence to be introduced showing what the profits were, and the jury returned a verdict for Mr. Schneider for the full amount asked.

Kentucky Coal Fields Quiet

LOUISVILLE, April 12.—Conditions in the nonunion coal fields of Kentucky, where insurance men were afraid there might be some trouble, after the calling of the mine workers' strike in the union

fields to the north, have been excellent. Mines are running on a good basis and no trouble has developed. There have been a few short strikes, principally over operators firing men for taking too active a part in union efforts at organization. Operators have won all of these individual strikes and conditions as a whole are excellent.

Question on Hickman Loss

A question appears to be involved at Hickman, Ky., as to whether lightning striking a three-story brick building was responsible for its collapse, or undermined foundations, as a result of the building being completely surrounded by water as a result of flooded conditions in part of the city, the Mississippi being out of its banks.

According to the report the three-story brick building, occupied as a department store by F. M. Nalfv, Asyrian, on the ground floor and offices on the upper floors, was struck by lightning at the top of the building, causing the third floor to fall in on the second. Loss was reported at \$50,000.

Kentucky Arson Arrests

LOUISVILLE, KY., April 12.—Firebugs are again busy in Louisville and other points in Kentucky. Charles W. Bruckert, Jr., 18, of Louisville, is alleged to have confessed to the police that he set fire to one building just to see it burn. Four other youths were taken into custody and questioned, but formal charges have not been placed against them. The particular fire under investigation is the one at the Third Presbyterian Church in that city. Last week three fires were discovered at Churchill Downs race track, all burning simultaneously. They were discovered in time to prevent serious loss.

Ellis Drury, 12, was arrested on the charge of starting a blaze in the cellar of the city hall in Owensboro. The Owensboro "Messenger," one of the largest and most influential newspapers in western Kentucky, has come out with a strong editorial advocating the passage of a law prohibiting children from carrying matches and other remedial legislation to reduce fire hazards.

Settle Hopkinsville Mill Loss

Adjusters were recently in Hopkinsville, Ky., and settled the loss on the burned Acme Mills, a flour plant, which lost the mill building on March 16. Total loss was settled at \$175,000. Of this \$50,000 was a total loss on mill; \$85,837 on mill equipment; on warehouse J, \$3,779, and to stock, \$37,260. Insurance of \$250,000 was carried on stock, \$90,000 on equipment and \$50,000 on mill. There were about 30 companies on the loss. The Millers Mutual of Alton had \$25,000 and Millers National the same amount.

Believe Courthouse Fire Incendiary

JACKSON, TENN., April 12.—Belief that the county courthouse of Decatur county, which burned March 25, was set on fire was expressed by Judge J. A. England of Decaturville, presiding judge of the Twelfth district, who was a visitor here. Judge England said that officers of Decatur county are conducting a rigid investigation and arrest may follow. According to Judge England some of the rooms of the courthouse were saturated with coal oil. Plans for the reconstruction of the courthouse will, he believes, be made at the coming session of the county court.

Tennessee "Clean-up Week"

NASHVILLE, TENN., April 12.—Letters requesting that observance be made of Clean-up Week, to be observed April 18-25 in all cities and towns of Tennessee, were sent to the mayors of all towns and cities by Ed M. Gillenwaters, state fire marshal, this week. Mr. Gillenwaters urged the executives to sponsor local celebrations, under the slogan of "clean up or burn up." He emphasized that to clean up rubbish piles and accumulations of debris would result in the saving of considerable money ordinarily lost in fires.

Kentucky Notes

Automatic sprinklers were effective in holding a blaze and turning in an alarm at the plant of the Acme Paper Stock Co., 141 North Second street, Louisville, Friday night.

R. L. Gordon, who for the past year or so has been with the adjustment office of J. H. Harrison, has resigned effective April 15, to take a position with the

General Motors Acceptance Corporation at Louisville.

J. Willie Hall of the Craig & Hall agency at Georgetown, Ky., recently purchased the interest of the late Henry Craig in the agency, and is now sole owner of the business, which will continue under the name of Craig & Hall. Mr. Craig died about the first of the year.

H. H. Troutman has recently joined the independent adjustment office operated by J. H. Harrison, Starks building, Louisville. Mr. Troutman at various times over the past few years has been connected with the Royal, Home and Henry Clay and is especially well equipped for handling farm losses.

Tennessee Notes

Fayetteville will be inspected by the Tennessee State Fire Prevention Association, April 29.

The Fred Latta agency and the Fields & Jackson agency of Columbia, Tenn., have been merged and will operate as Fields, Latta & Jackson.

The Seaton agency and the C. E. Castle agency of Jackson, Tenn., have been consolidated as the Castle-Seaton agency with offices in the Jackson Bank & Trust Company building.

Georgia Notes

Scott Nixon, local agent at Augusta, Ga., has taken on the Transcontinental Fire.

Wm. F. Law, Jr., Howard A. Fortson and John A. Kilpatrick it is reported will enter the fire insurance business in Augusta Ga. They have taken offices in the Herald building. Mr. Law was formerly with the Henry M. North agency.

The Penick-Ford agency at Shreveport, La., has changed its name to Ford, Walker & Hearn. Messrs. Walker and Hearn have been active factors in the agency for many years.

PACIFIC COAST

IS ABSOLVED OF LIABILITY

Rent Case Comes Before the United States District Court of Oregon on Important Issue

Insurance men are interested in the decision of the federal district court for Oregon in the First Investment Company against the Vulcan Underwriters and the North British & Mercantile. The court held an ordinance forbidding repairs after a fire can not be read into a contract. In this case the company issued a rent policy. In case of fire, payment of loss in rent was made to cover rent from time of fire to time when the assured might reasonably be expected with due diligence to put the property in repair. A city ordinance forbade the contemplated repairs. The court held that this ordinance was not to be read into the policy, so as to compel the company to pay rent from the time of the fire, to the time the leases would have expired had there been no fire.

Character of Building

The building in question was a two and three story wooden structure. The upper stories were practically destroyed by fire and other parts of the building so damaged as to be unsuitable for occupation. The ordinances prohibited the repair of the second and third stories and the assured was unable although making application to obtain a permit to make such repairs. The assured therefore sought to recover for

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the loss of rent for the second story for the unexpired portion of the existing leases. The company moved against such alleged causes on the ground that there is no statement in either of them as to the length of time which would be required to restore the affected parts of the building to the same tenable condition as before the fire.

Says Obligation Is Unnecessary

The assured insists that such an obligation is unnecessary because the ordinance prohibited the repairs and therefore the measure of its recovery is the rent which it would have received for the unexpired portion of the leases of the second story if it had not been damaged. Citations were made to show that where a building covered by insurance against fire is so damaged as to render it practically worthless without expensive repairs and an ordinance to prohibit such repairs, recovery may be had for a total loss for the reason that the contract is presumed to have been made with reference to the existing ordinances which enter into it and become a part of it. The court says:

Limit on Liability Specified

But here the insurance was not on the building but the rentals thereof, and the contract provided the method by which the loss, if any, was to be ascertained, and that is the length of time from the date of the fire that would be required, with due diligence, to restore the rented portion of the building to the same tenable condition as at the time of the fire.

The construction of the contract is to be governed by the same principles as applicable to other contracts, and the language used given its ordinary meaning. There is no ambiguity in the language. It plainly provides the rule by which the damages are to be ascertained. The assured was not required to repair the building, but whether it did so or not the liability of the defendant is fixed by the contract, and that must govern. The case at bar is not readily distinguishable from *Adjusting Syndicate vs. Milwaukee Mechanics* (136 Pac. 941), *Amusement Syndicate vs. Prussian Natl. Ins. Co.* (116 Pac. 620), or *Palatine Ins. Co. vs. O'Brien* (16 L. R. A. 1055).

The motion to strike out paragraphs 19 to 23, inclusive, is therefore allowed. The motion to make other parts of the complaint more definite and certain is overruled. The complaint sets out the acts done by the plaintiff toward repairing the lower story of the building, and indicates that due diligence was used in doing so.

Sifford's Territory Enlarged

SAN FRANCISCO, CAL., April 13.—As a result of the recent visit to the Pacific Coast of President Victor Roth and Vice-President Walter D. Williams, it has been arranged that hereafter the business of the Security of New Haven and its affiliated companies in the entire territory within the jurisdiction of the Pacific Board will be under the supervision of Manager Benton A. Sifford at San Francisco.

In the past Mr. Sifford has handled Arizona, California, Oregon, and under this new arrangement will take over the supervision of Idaho, Montana and Utah. These three states have in the past been handled by Mr. Williams. Mr. Williams will continue to supervise Colorado, Wyoming and New Mexico, commonly known as the mountain field, in addition to the states that he has always handled in Western Union territory.

Change Montana Blue Goose Meeting

The Montana Blue Goose has changed the meeting place for the annual spring session to April 23. It will be held in Butte, instead of at Helena, as originally planned. The change was made to accommodate the largest number of ganders, as the semi-annual meeting of the Montana Special Agents' Association is scheduled for Butte April 22.

New Officers of Portland Exchange

A. A. Comrie, secretary of the Charles W. Sexton Company, was elected president of the Insurance Exchange of Portland, Ore., at the annual meeting. Other officers elected are as follows: D. H. Bates, vice-president; K. A. Holloway,

secretary; A. J. McCann, treasurer, and F. M. Herman, assistant secretary in charge of the central office of the exchange. The officers, with the following, comprise the board of trustees: Stanley Jewett, J. D. Nerlan, C. DeYoung, J. D. Hart and Girard Clement.

Guernsey-Newton Changes

Announcement is made by the directors of the Guernsey-Newton general agency of Seattle that O. E. Guernsey, senior member of the firm, has been elected president to succeed the late H. W. Newton. J. D. Rounsefell will take over field work for the agency in the northwest, while George Schaeffer will continue as underwriter. Gordon Sornberger will remain as treasurer of the company, and C. S. Filler as manager of the surety and casualty departments.

Joins Marsh & McLennan

Charles Carroll has been appointed special agent for Marsh & McLennan, covering eastern Washington, Idaho and Montana, with headquarters at Spokane. Mr. Carroll, who resigned as field man in the same territory for the Carl A. Henry general agency, succeeds the late J. L. M. Waggaman.

Coast Notes

H. R. Mann & Co. have applied to the insurance department of Washington for admission for the Guaranty Fire, for which they are general agents on the Pacific coast.

A service office for the Travelers Fire will be established at Spokane, Wash., under the supervision of Anderson Joy, special agent, according to Carl N. Homer, Washington manager.

A. W. Jones, formerly of Seattle, Wash., where he maintained an adjusting office for 22 years, has taken up residence in Los Angeles. In his new location he will continue his work of adjusting.

A. W. Whitmer, local agent at Portland, Ore., died at his home there recently. He was one of the pioneer field men of the Pacific coast, having covered the northwest territory for the Home Fire & Marine prior to entering the local agency business in Portland 20 years ago.

IN THE MOUNTAIN FIELD

PROBLEM FOR HAIL AGENTS

Withdrawal of Six Companies from That Class in Colorado Makes Placing of Business Difficult

DENVER, April 13.—A very serious situation for hail writing agents in Colorado has been created by reason of the withdrawal of six companies from the writing of hail business in this state, including the four companies in the Home of New York group and the two in the Commercial Union group. The only new company entering the hail field this year is the Mercantile, represented by the Braerton-Forsyth general agency. The Commercial Union companies wrote only a small amount of hail insurance in Colorado last year, but the Home group wrote practically one-fourth of the total volume of hail business in the state last year, so that its withdrawal creates a gap which the agents will find it difficult to fill. Its loss ratio is understood to have been around 100 percent.

Because of the very unfavorable experience on hail business last year, the general loss ratio running between 80 and 85 percent, the companies that are continuing the writing of hail insurance are not looking for any additional business of that class. In fact, most of them are writing it only as an accommodation line and in some cases have already restricted the volume of hail business that will be accepted from an agent to an amount approximating the fire premiums which the companies receive from his agency.

In some of the high premium hail districts this cuts down the amount of hail business that will be accepted to almost a negligible figure. The result is that many agents who have been writing a big volume of hail business, in some cases actually more than their fire pre-

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miums, will find the greatest difficulty
in getting the business written at all
this year.

In spite of the disastrous experience
in recent years, hail men here are gen-
erally opposed to any further increase
in rates. They say that the rates now
are so high as to increase the moral
hazard factor. Many farmers of the
better class will carry their own insur-
ance rather than pay the present rates,
while the man who expects to have a
loss will still be on the companies' books
as heretofore. Hail managers and gen-
eral agents say frankly that they have
been unable to find any solution to the
problem so far.

AMEND STATE FIRE FUND ACT

Private Insurance on Public Buildings
in Colorado to Be Continued Until
Fund Reaches \$200,000

DENVER, April 13.—The bill to
amend the state fire insurance fund
law, adopted in Colorado two years ago,
has passed both houses of the legisla-
ture and gone to the governor for his
approval. Under the terms of this bill,
the state will continue to insure its pub-
lic buildings with private companies
until such time as the state fund reaches
a total of \$200,000. Appropriation was
made for the premiums on this insur-
ance for the current year.

Under the terms of the act as origi-
nally passed, all existing policies were
to be allowed to lapse on their expira-

TEXAS (Cont.)

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ADVERTISE
IN THIS
COLUMN

tion. Many of them have already been
dropped and several of the state build-
ings are now virtually without any pro-
tection whatever.

Under the provisions of the bill only
\$40,000 was accumulated in the bienn-
ium toward the establishment of this
fund and there are now \$85,000 in losses
to be charged up against this as a result
of one fire at the State Agricultural Col-
lege. At this rate it is somewhat prob-
lematical as to how long it will take for
the fund to reach the \$200,000 maxi-
mum which is required before other in-
surance will be dispensed with.

CONSIDER FIELD PROBLEMS

**Rocky Mountain Fire Underwriters
Association Supervisory Commit-
tee Holds Meeting in Chicago**

A meeting of the supervisory com-
mittee of the Rocky Mountain Fire Under-
writers Association was held in Chicago
last week with all Union and Bureau
members in attendance, with the excep-
tion of Walter D. Williams, western
manager of the Security. Secretary
Fred Williams of the association and
W. L. Braerton of the Braerton & For-
syth general agency attended from Den-
ver. There was considerable discussion
of the automobile situation in the
mountain field. One prominent com-
pany is guilty of rate violation and is
issuing a special form of policy that
has caused considerable stir among
agents in the mountain field. It is the
intention of the association to swing the

offending company into line and to in-
sist that all members stand firm and
that there be no violation of rates or
rules. Secretary Williams will prepare
a letter to go out to the membership
on this subject within a few days.

Big Refinery Loss

Fire companies operating in the moun-
tain field are interested in the loss last
week on the oil refining plant of the
Producers & Refiners Company at Parco,
Wyo. An explosion which cost the lives
of 17 employees was followed by a fire
which totally destroyed the plant, with
a loss estimated at between \$500,000 and

\$1,000,000. The Producers & Refiners
Company is a subsidiary of the Standard
Oil Company and its plant was one of
the best and most up-to-date in Wyom-
ing.

It is understood that practically all of
the insurance on the plant was carried
in non-admitted companies and had been
written at cut rates. It is considered
possible that the recently enacted Wyom-
ing law giving the insurance commis-
sioner power to make inquiry in regard
to insurance placed in non-admitted com-
panies, in connection with the additional
tax imposed on such insurance, may be
brought into play in connection with this
loss.

EASTERN STATES ACTIVITIES

OPENING LIFE DEPARTMENT

**Hoover & Diggs Company of Pitts-
burgh Takes Pacific Mutual Life
for Western Pennsylvania**

Hoover & Diggs Company, engaged
in the general insurance business in
the Arrott building at Pittsburgh, has
been appointed general agent for the
Pacific Mutual Life for western Penn-
sylvania.

Three years ago the Hoover & Diggs
Company established a life department,
and in line with the development of
the agency, is now covering with its Pacific
Mutual contract the same territory it is
now covering in other insurance lines.
The agency has about 150 agents in
western Pennsylvania, together with a
number of producing brokers in Pitts-
burgh. A man will be placed in charge
of the immediate development of this
territory.

The Hoover & Diggs Company, in
process of its growth, has added to its
organization such men as Joseph C.
Russell, former manager of the Bur-
roughs Adding Machine Company;
Charles T. Beggs, a well-known life in-
surance man, and James C. Murray,
formerly of Murray-Mohler. Mr. Murray,
for the present, will operate exclusively
in the life insurance department.

This move on the part of Hoover &
Diggs Company is in line with late de-
velopments in the insurance business.
Some large brokerage houses and im-
portant general agencies have recently
added life insurance sections to their
agency organizations and with marked
success.

The Hoover & Diggs Company
agency in addition to representing the
Pacific Mutual in its life department in
western Pennsylvania, has also arranged
for the general agency in the same ter-
ritory for the accident and health de-
partment.

Pennsylvania Code Bill Passed

Commissioner Taggart's bill to inves-
tigate and recodify the insurance laws
of Pennsylvania has been passed by both
houses, and will probably receive the
approval of Governor Fisher. The bill,
however, has been decidedly changed in
tenor and does not carry the broad in-
quisitorial powers that were at first
asked by the commissioner.

Brokers' Association Elects

NEW YORK, April 13.—At the annual
meeting of the Fire, Marine & Liability
Brokers' Association the following direc-
tors, to serve three years, were elected:
Raymond P. Dorland of Davis, Dorland
& Co.; Floyd R. Du Bois of Frank &
Du Bois; W. Douglas Owens of Owens
& Phillips; Charles S. Rosenzweig of
Stephens & Co.; Lyman E. Thayer of
Brown, Crosby & Co.

The board of directors reelected the
association officers, who are W. Douglas
Owens, president; Reuben E. Kipp, vice-
president; Carlton O. Pate, treasurer, and
Berthold M. Harris, secretary.

Boston Protective Department Elects

BOSTON, April 12.—The Boston Pro-
tective Department, at its annual meet-
ing, elected the following officers: Presi-

dent, Robert J. Dunkle, O'Brien, Russell
& Co.; vice-president, Thomas J. Ratigan,
John C. Paige & Co.; secretary-treasurer,
Charles W. Gooding.

Examination for Adjusters

BOSTON, April 12.—The number of ad-
justers in Massachusetts bids fair to be
reduced and a higher degree of efficiency
secured as a result of an order made
public by Commissioner Monk today, that
on and after April 25 each applicant for
a license as an adjuster of fire losses
in the state will be required to pass an
examination. It is also ordered that all
present holders of licenses take the ex-
amination before renewal of license.

Chesapeake Blue Goose Elects

BALTIMORE, April 12.—R. S. Despard,
Washington, D. C., is the new most loyal
gander of Chesapeake Blue Goose, hav-
ing been elected at the meeting here
last week. The only other change in
officers was that of custodian of the
goslings. Clyde F. Culp was elected to
that office. Delegates to the grand nest
meeting are F. F. White, National Fire,
and Henry L. Rose, grand keeper.

Charles H. Holland, president of the
Independence Fire of Philadelphia, was
the principal speaker. Following the
dinner seven goslings were obligated,
among them Mr. Holland. The initiation
ceremonies were dispensed with.

Henry L. Rose, retiring most loyal
gander, was presented with a solid silver
coffee set. The percolator was made by
Walter R. Hough, a charter member of
the pond.

Maryland Bills Killed

BALTIMORE, April 12.—Two bills op-
posed by insurance men generally were
killed in the closing session of the gen-
eral assembly last week. One was the
compulsory automobile insurance bill
drawn up by Commissioner Benson and
the other the bill giving the insurance
commissioner power to fix fire insurance
rates.

Although considerable pressure was
brought to bear to pass the two meas-
ures it was not believed that either
would be enacted. The opposition to
compulsory liability insurance from mem-
bers of the assembly representing coun-
try districts was too strong to be over-
come and the stand of Commissioner
Benson, who did not think it advisable
to have his department take over the
matter of rate making, had its effect on
the rate bill.

Speaks on Dean Schedule

E. C. Smith, manager of the Schedule
Rating Bureau of the New England Ex-
change, spoke before the Winsted, Conn.,
Chamber of Commerce April 12. He ex-
plained the Dean schedule which is be-
ing applied in Winsted and other north
Connecticut towns. This schedule raised
the fire rates in most of these towns,
resulting in quite a protest, with the
result that the towns are being edu-
cated as to "what it is all about," by Mr.
Smith and other speakers from insurance
organizations.

Horton Speaks in Pittsburgh

S. J. Horton, secretary of the Cleve-
land Insurance Board, will address mem-
bers of the Board of Fire Underwriters
of Allegheny County at Pittsburgh, Pa.,
April 25, on "Local Agents' Organi-
zations and the Fundamentals and Benefits
of Such Organizations."

Karl F. Sanders Heads Club

HARTFORD, April 12.—Karl F. San-
ders has been elected president of the

Scottish Union Club, of which he was vice-president during 1926. Robert Hutton is vice-president for 1927, Grayce Manson is secretary, and Lillian Lafarr is treasurer.

Eastern Notes

The Atwater agency has been incorporated at Lockport, N. Y. The directors are Nellie E. McCarthy, Florella T. and Elizabeth T. Atwater.

William Newton Goodwin, a well-

known Boston broker and for 28 years a member of the Boston board of assessors, died last Friday. He began his insurance career in the office of John C. Paige & Co. For the past 36 years he had been an independent broker.

At the annual town meeting in Harrisville, N. H., the citizens voted to install fire extinguishers in every home and farm building throughout the town, the town to meet the total expense. One hundred extinguishers are expected to suffice for the needs of the town, whose population in 1920 was 559.

Montreal, Canadian manager, was in Winnipeg last week.

Dale & Co. of Winnipeg have been appointed to represent the Newark Fire and the Queensland.

The State Insurance & Investment, Winnipeg, have been appointed to represent the Continental of New York, and the Pioneer.

At Star City, Sask., a fire which started

in the Gaiety Theatre, destroyed that building, a drug store on one side and the adjoining harness shop on the other. The damage is unknown, but is covered by insurance.

During a football match at the Athletic Park, Vancouver, B. C., where 5,000 spectators were watching the game, fire broke out in the grandstand, and completely destroyed it, causing a loss estimated at \$50,000.

IN THE CANADIAN FIELD

SIDE LINE BUSINESS LIGHT

Few Classes Pushed in Canada Except Automobile, Hail and Tornado—Figures on Inland Marine

The sidelines written by the fire companies apparently were not pushed very strongly in Canada last year, with the exception of automobile, hail and tornado insurance. There were nine companies writing earthquake insurance, all of them United States fire companies with the exception of the Employers Liability, showing total premiums of \$5,279 and no losses. The largest amount written by any company was \$1,870 by the North America.

Rain insurance was written only by the Hartford, with premiums of \$24,520 and losses of \$11,743, and the Home, with premiums of \$10,524 and losses of \$6,719.

Inland marine business showed a very fair volume, total premiums of \$577,360 and losses of \$132,910. The St. Paul Fire & Marine showed the largest premiums of \$91,445, and the Marine of England second, \$75,403. Premiums and losses by companies in that class are as follows:

	Net Premiums	Losses Incurred
Aetna	6,796	533
Alliance Insurance	1,852	302
American & Foreign	7,389	363
Automobile	29,025	6,755
British America	7,968	534
British & For. Mar.	1,455	14
British Oak	9,682	4,194
Canadian Indemnity	519	232
Columbia	11,277	293
Continental	3,355	293
Dom. of Can. G. & A.	3,057	468
T. Eaton General	5,860	55
Fidelity-Phenix	688	14
Fire Association	63,860	1,047
Fireman's Fund	4,026	120
First American	3,311	168
General Acc. F. & L.	1,726	435
Globe & Rutgers	7,390	1,289
Great American	70	212
Guardian Canada	680	1,732
Hartford Fire	61,803	44,926
Home	15,421	15,297
Ins. Co. of No. Am.	46,220	168
Liverpool & L. & G.	335	2,093
London Assurance	18,725	16,843
Marine	75,403	1,289
New Hampshire	32	97
Niagara Fire	3,100	577
North British	3,058	769
Northern Assurance	769	186
Norwich Union Fire	524	70
Ocean Marine	4,815	19,622
Providence Wash.	529	12,057
Queen	91,445	3,966
Railway Passengers	12,057	8,144
St. Paul Fire & Mar.	91,445	2,361
Scottish Metrop.	12,057	18,943
Standard Marine	3,966	8
Tokio	8,144	18,348
Union Assurance	2,361	15,937
Union of Canton	18,943	1,109
Union Marine	8	2,652
U. S. Merch. & Sh.	18,348	1,549
Western Assurance	15,937	770
World Fire & Mar.	1,109	
World Mar. & Gen.	2,652	
Yorkshire	1,549	
Totals	\$ 577,360	\$ 132,910

Winnipeg Bowling League

WINNIPEG, April 12—The Fire Insurance Bowling League held its annual banquet here, concluding a very successful season. E. Young occupied the chair, and about 50 members attended. Officers elected for the new year were George Swan, president; W. Marks, vice-president, and C. L. Layton, secretary. C. H. McFadyen was chosen honorary president. Delegates to the Winnipeg Bowling Association were W. Palmer and H. L. Wiglesworth. The honorary president, Mr. McFadyen, presented the winners of the league, Osler, Hammond & Nanton, with the C. H. McFadyen cup, which they won for the second time in

succession. C. H. McFadyen & Co. were second, and Norwich Union Fire third. Prizes were given to the Western Canada Fire Underwriters Association for obtaining the best scores for a single game and three games, with a handicap, and C. Pickard of the same office, carried off the prize for the best individual score, without handicap.

Plan Softball League

WINNIPEG, April 12—A preliminary meeting of the Fire Insurance Softball League was held this week. Teams that have signified their intention of competing are the Western Canada Fire Underwriters Association, Occidental Fire, Smith, Fess & Denison, British America and Liverpool & London & Globe.

Canadian Losses Compared

According to the "Monetary Times," fire losses in Canada for the week ending March 30, are estimated at \$1,017,500, as compared with \$1,230,500 for the corresponding week of last year.

"Black Trophy" Golf Competition

WINNIPEG, April 12—Entries for the "Black Trophy" golf competition, under the aegis of the Western Canada Fire Underwriters Association, for all fire insurance firms and offices in Winnipeg, are now being received, and the draw will take place May 2. Many of the fire insurance fraternity are well known golfers in this city, but, nevertheless, they will have to put their backs into it to win against some of the newcomers with their match handicaps.

Death of J. E. Clement

J. E. Clement, vice-president and manager of the Fire Insurance Company of Canada, Montreal, who died recently, was considered one of the ablest fire underwriters in Canada. J. E. Clement, Inc., besides representing this company as Canadian managers, also are Canadian managers for the Nationale of Paris.

Farm Losses Increasing

George F. Lewis, deputy fire marshal of Ontario, in a recent address, stated that fire losses on farms in Canada are mounting each year, as a result of which the premiums had increased in some cases as high as 50 percent, and it was quite an important matter as to how these fire losses could be reduced.

Amend Winding-up Act

In the senate at Ottawa, Ont., the banking and commerce committee approved a bill to amend the winding-up act to remove discrimination in liquidation in favor of certain classes of policyholders in life and fire insurance companies.

General Agency Appointments

The General Administration Society, with offices at Regina and Edmonton, has been appointed general agents for Saskatchewan of the Local Government Guarantee Society and for Alberta by the General of Paris.

The MacCulloch Company has been appointed general agents of the Federated British for the province of Saskatchewan.

Frank R. Logan & Co. of Regina, general agents for the Acadia Fire for the provinces of Saskatchewan and Alberta, have opened an office at Calgary to take over the supervision of the Alberta business.

Canadian Notes

J. W. Tipton of Edmonton, Alta., has been appointed to represent the Fire Association.

Otho E. Lane, president of the Niagara Fire, accompanied by W. E. Findlay of

LEHMAN TO SUCCEED MYLOD

Former Assistant Will Become Cook County Automobile Manager for North British Group

A. E. Lehman has been appointed superintendent of the Cook County automobile department of the North British & Mercantile and affiliated companies, succeeding John H. Mylod. Mr. Lehman has been Mr. Mylod's assistant for the past five years. Mr. Mylod has been appointed general agent in charge of the automobile department of the North British and will remove to the United States branch office in New York the latter part of this month.

Mr. Mylod is one of the outstanding automobile superintendents of Chicago. He is president of the Automobile Underwriters Club and the Steering Club. A meeting of the latter organization will be held next Monday to elect a president to succeed him. These two organizations are composed of superintendents of automobile departments in Chicago. Mr. Mylod has done much to promote good fellowship among the Chicago automobile superintendents and has been active in these two organizations.

RATE AGREEMENT IS SOUGHT

J. Ross Moore Goes Before Louisiana Commission in Endeavor to Build Working Plan

J. Ross Moore, manager of the National Automobile Underwriters' Conference, appeared before the Louisiana Insurance Commission April 13 to try to formulate with the commission a plan of rating that would meet the requirements of the law and still be workable. With him appeared A. J. Donohue, his assistant, and J. M. Harrison, superintendent of the southern department of the Royal at Atlanta.

Though the Louisiana law, enacted last year, applies principally to fire rates, it also applies to automobile rates, and provides that automobile insurance companies shall file data on their experience for the last five years, classified in the usual manner, as a guide in establishing rates.

As the automobile companies have no "usual" classification, because makes and types of cars are constantly shifting, the companies do not know how to proceed to file the information demanded. The commission has called for experience on a large number of cars of different makes. Experience on some of these makes, however, is very limited, and would be materially altered by the destruction of a single car.

Theft of Accessories

Companies writing automobile theft insurance in agricultural communities throughout the west say that the loss ratio, while it is still favorable, is increasing largely because of the stealing of accessories. This seems to be the bugbear of theft insurance in the smaller cities, towns and country districts. It is getting to be a frequent practice for thieves to take tires and other equipment. While insurance companies would be glad to exclude accessories, they feel that at the present time they would not be warranted in following a course of that kind, because the loss ratio is not abnormal.

DISCUSSING SINGLE INTEREST

Committee of National Conference in Charge of Drafting Proposed Form Is Still at Work

NEW YORK, April 13—A single interest fire and theft cover continues to engage the attention of automobile underwriters. The committee of the National Automobile Underwriters Conference having in charge the matter of drafting a form and suggesting rates therefor is still at work. At a meeting held here by the committee a few days ago, views upon the subject were exchanged along general lines, and the future effort will be to reduce these to concrete form.

Question as to Value

The idea of a single interest policy was first suggested several years ago, as a means of meeting the objection to writing finance business held by a number of companies. Whether such coverage would prove particularly saleable is a question. The single interest collision contract has been on the market for some time, but no widespread demand for it is noticeable, and doubt is expressed whether the single interest fire cover would prove any more appealing. Naturally the idea will be unwelcome to the finance corporations, which derive no little profit from commissions under complete coverage and who will cling tenaciously to such business. On the other hand, local agents would be substantially benefited were the finance companies permitted to insure only the amount of their equity in a car, leaving the purchaser free to protect his interest with whomsoever he wished.

FINANCE NEW TEXAS BUREAU

Assessment of 1/2 of 1 Per Cent of Gross Premiums Will Be Made on Automobile Insurers

AUSTIN, TEX., April 13.—Preparations have been completed for financing the corps of assistants to be used under the new law vesting the insurance commissioner with control over automobile insurance rates of all kinds. The companies writing that class of insurance in Texas are now making an assessment, based on Texas premiums, to conduct the stamping bureau which is to be an adjunct of the insurance department. The bill bestowing this power on the commissioner made no appropriation.

Under the plan adopted the companies writing automobile insurance in Texas will be assessed approximately 1/2 of 1 percent of their gross Texas premiums to maintain the stamping bureau. The annual gross automobile premiums in Texas aggregate approximately \$5,000,000.

The commissioner will have complete authority in appointing the corps of clerks in the stamping bureau although their salaries will be paid direct by the companies.

The commissioner will make the automobile rates and the policies will be submitted to the stamping bureau for approval and inspection to see that the prescribed rates are used. This bureau will be located in Austin.

Direct assessments authorized by law are now collected to maintain the forces administering the fire and work-

men's compensation insurance rate divisions of the State Fire Insurance Commission.

Conference Secretaries in Atlanta

Secretaries of the Eastern, Western, Pacific Coast and Southern Automobile Underwriters conferences met in Atlanta April 13, when matters of common interest were discussed. J. Ross Moore, general manager of the National Conference, was in attendance as well.

Will Organize Indiana

The Illinois Motor Casualty of Springfield, Ill., is now organizing Indiana and expects to add considerably to its premium income through its operations in that state. The Associated Agency Company of Vincennes, Ind., which has been appointed state managers, formerly had the Standard Automobile Insurance Association which has now gone out of business. The Illinois Motor Casualty last year had premium income of \$278,222 and losses \$79,314 and claims expense \$14,164. The company now has assets \$420,608, and net surplus \$148,561. It writes full coverage automobile insurance.

Reciprocal Receiver Reappointed

EVANSVILLE, IND., April 12.—The superior court here has appointed Fae W. Patrick as receiver for the National Automobile Insurance Association. Mr. Patrick, whose home is at Indianapolis, has filed bond for \$25,000. He was originally appointed receiver by an Indianapolis judge, but it was later found that Indianapolis was not the proper jurisdiction for the case.

Nebraska Law on Mutuals

LINCOLN, NEB., April 12.—The house has given the stamp of its approval to S. F. 196, permitting mutuals that maintain a surplus of \$25,000 to write automobile coverage, and it will join the list of new laws becoming operative next July. A number of the companies are said to have been writing this coverage without authority.

Would Make Auto Theft Felony

AUSTIN, TEX., April 12.—Representatives and senators have been asked to submit to the Texas legislature at its called session a bill which will make every offense of stealing an automobile a felony with consequent severe penalties. The law now provides for penalties according to the value of the car, which makes some offenses merely misdemeanors with light penalties.

Has Unique Circular

The Pennsylvania Indemnity is sending out a unique circular on automobile insurance. It is a "movie" with nine slides representing the different kinds of automobile losses or claims. The last slide is a return postal card asking for information about automobile insurance.

St. Louis Club Forms Reciprocal

ST. LOUIS, April 12.—After having the proposition under consideration for several months the board of directors of the Automobile Club of Missouri has decided to organize an automobile reciprocal for members of the club, to be known as the Inter-Insurance Exchange of the Automobile Club. John G. Owen, formerly connected with the Lynton T. Block reciprocals, will be general manager. J. A. Lewis and M. H. Rodemeyer will be the attorneys in fact.

Officials of the Automobile Club admit that they plan to charge to so-called conference rates for insurance but expect that at the end of the year there will be a sufficient surplus to return a substantial dividend to the members of the exchange.

Newark's Theft Record

NEWARK, N. J., April 13.—Last year the police of this city were enabled to secure the return of 1,983 stolen automobiles, according to a statement made by Capt. John Haller of the motor theft bureau of the police department. Automobile stealing, he declared, has become a major industry in the United States. Newark's record of cars stolen during the first three months of 1927 is 200 more than in the corresponding period of the preceding year, he admitted, adding, that "the thieving gang has issued a chal-

lenge in such connection to the local police force."

Washington Bills Vetoed

Two of the three bills comprising the state motor code were vetoed by Governor Hartley of Washington. One of the vetoed bills provided for the registration of automobiles and engines, while the second was an act to require registration of proof of title before an automobile license would be issued. The governor signed the bill which raises the speed limit outside city limits from 30 to 40 miles an hour and inside towns and cities from 20 to 25 miles an hour.

Discuss Theft Situation

NEW YORK, April 16.—Representatives of the National Automobile Underwriters Conference and of other interests were in session here recently discussing the motor theft situation throughout the country, and possible plans that might be adopted to bring about its improvement. A sub-committee was named which after an intensive study of the matter will report back at a later date. Subsequently the recommendations will probably be taken up at a general meeting of managers.

BEHA RULING CAUSES SOME DISSATISFACTION

(CONTINUED FROM PAGE 3)

plained of. A copy of the report and the accompanying data was furnished each member of the executive committee of the organization, but no action thereon has yet been taken. Possibly the recent ruling of Superintendent Beha will make necessary certain changes in the recommendations of the committee, though there is no assurance of this.

Superintendent Beha's ruling is in its important elements as follows:

"Specific instances have been brought to the attention of the department where fire and marine insurance companies have issued inland marine or floater policies covering merchandise and other property against the risk of fire and/or fire and other risks. These policies are generally issued to concerns operating 'chain stores' or numerous plants in different locations. The merchandise covered is insured for the most part in different locations and for specific amounts and the policies frequently also include fixtures as well as betterments and improvements to buildings.

Standard Form Must Be Used

"Section 121 of the New York insurance law prohibits any fire insurance company from issuing any fire insurance policy on property in this state upon other than the standard form. The improper inclusion of risks other than fire does not remove the restrictions imposed in Section 121.

"A marine company whose charter does not permit it to write fire insurance business, cannot legally issue a standard fire policy covering a fire hazard nor can it legally issue any other form of policy covering the fire hazard by the illegitimate device of including other hazards in the policy or forms attached thereto.

"Section 141 of the insurance law prohibits an insurance company from discriminating unfairly between risks of essentially the same hazards and the fact that an insurance company includes in the contract an additional coverage for the same rate or even a lower rate than is charged for the fire hazard alone (excepting where such additional coverage legitimately takes the risk out of the fire insurance classification) may not properly act to remove such contract from the purview of the rating law.

"Section 65 of the insurance law prohibits rebates, but the section does not apply to any contract of insurance upon or in connection with marine or transportation risks or hazards other than contracts for automobile insurance. However, the improper inclusion of a multiplicity of hazards on a marine or transportation form does not nullify the prohibition against rebates.

"A fire insurance company cannot legally issue a policy covering a bona

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H. B. HAYWARD, State Agent, 39 Van Houten Place, Belleville, N. J.
J. MARSDEN, Special Agent, Commonwealth Bldg., Pittsburgh, Pa.
FRED E. POTTER, State Agent, 453 West Water St., Elmira, N. Y.

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Automobile Insurance—Full Coverage—All in One Policy
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Surplus to Policyholders Over Half Million

Agents wanted in Ohio, Missouri, Kentucky, Michigan, Tennessee, Kansas, Indiana and Florida.

J. R. Jones,
Sec'y & Mgr.

fide fire risk upon any form other than the standard fire insurance policy. A company having marine insurance powers only cannot legally issue any policy covering a bona fide risk.

"A fire insurance company issuing a policy covering a bona fide fire risk whether written on the standard fire form or not, at a rate other than the fire insurance rate filed for that risk is committing an act of unfair discrimination in violation of the law even though the policy purports or actually does cover hazards in addition to the fire hazard.

Rebating Unlawful

"Any fire, marine or fire and marine insurance company which has issued any policies on the marine or transportation form in violation of the above, and which policy cannot be reasonably construed to be a legitimate marine or float coverage, is hereby directed to cancel each such policy, if in force, forthwith. Such company is hereby further directed to file with this department a complete list of such policies now in force, giving name and principal location and date of cancellation."

GORHAM DISAPPROVES OF TOO SEVERE STANDARDS

ham deprecates any effort to establish a standard that would drive out of the business men who are able to carry it on successfully and profitably. The agent, particularly in the small town, always has been and must ever be a sideline to a certain extent and yet they might not be able to meet a qualification test.

Deplores Stringent Qualification Laws

Mr. Gorham said that if there is any misunderstanding existing between companies and agents, it should be removed. He thinks that it has a bad effect on the public for speakers at different gatherings of insurance men to deplore the fact that the companies are appointing incompetent agents. He said that the companies are responsible for the agents. He does not believe that the thorough going companies are knowingly appointing such men. Mr. Gorham said that he had not reached the point where he thought it wise to cede to the state the power to say what kind of agents his company shall have. Mr. Gorham declared that stringent agency qualification laws merely place the passing on agents to the state and injects the socialistic idea still further into state government.

Speakers at the Banquet

President James M. Newburger of the Illinois Association of Insurance Agents, speaking at the banquet, deplored the fact that companies do not consult the production forces or the agents in arriving at conclusions or changes in business policy. Mr. Newburger feels that there should be more cooperation between companies and agents. Other speakers at the banquet were C. J. Doyle, associate general counsel of the National Board; John G. Gamber, state fire marshal; Capt. C. F. Lawrence, head of the division of fire prevention in the Springfield fire department; Theodore Anderson, actuary of the Illinois insurance department, and Assistant State's Attorney C. Wayland Brooks of Chicago, who gave a patriotic talk. John B. Tetlow, president of the Illinois Field Club, opened the exercises and presented the toastmaster, C. M. Carwright of THE NATIONAL UNDERWRITER. A number of Springfield local agents were present as well as those from adjoining towns.

New Members Elected

F. J. Pocquette of the Northwestern National and E. L. Sternberg of the Baltimore American and Peoples National were elected to membership. The Illinois Field Club will probably hold its annual meeting at Delavan lake at the same time that the Illinois State Board meets.

The Field Club members were urged by President John B. Tetlow to give

more attention to the Illinois Fire Prevention Association and its town inspections. He pointed out the urgent nature of this work.

WANT UNDERWRITING ON PROFITABLE BASIS

(CONTINUED FROM PAGE 5)

ble, but the organization of the Eastern Underwriters Association is a consummation of such great potential importance as to warrant record and remark. Its composition is so nearly all-embracing; its avowed objects so comprehensive and beneficial, and the will to cooperate and carry on is so presently apparent that it affords justification for the belief that it is grounded in conviction. If so, its power for consistency and propriety in the conduct and operations of our great business within the territory of its jurisdiction can hardly be overestimated.

May Consolidate in the West

"Such a demonstration, if fortunately it shall eventuate, should logically lead to consideration of ways and means more nearly to effect a consolidation of the forces of fire (and allied) underwriting in this middle western empire, which includes the greatest productive area in superficial extent and in fertility bestowed by the Creator on any of His peoples of the earth.

Stabilizer of Industry

"Insurance has been justly called 'the stabilizer of industry,' 'the handmaid of commerce,' and otherwise similarly characterized. These descriptions are especially warranted as applied to stock or corporate fire insurance which receives and absorbs the shocks created by adverse happenings, even such as attain the degree of a catastrophe, instead of passing around the effects of a calamity among its patrons, as in the case of other types of insurance, actual or so-called.

Service Should Be Adequate

"It is accordingly incumbent upon us to consider carefully how this important function of service may be adequately fulfilled in the case of every legitimate and especially every necessary industry. To be sure, hampering official restrictions upon freedom of contract, or upon the exercise of our judgment in fixing the price for providing security 'the premium equivalent for the hazard run,' which Blackstone states to be a basic element of insurance, have here or there prevented the provision of insurance protection as required in some localities or by some lines of industry.

The blame in all such cases does not lie at our door.

Underwriters' Grain Association

"In some other cases we have been obliged to devise some unusual routine or method to make it possible to provide requisite insurance cover for some lines of business. For instance, the terminal grain elevator risks could have been cared for during the war only partially or with much difficulty to all concerned, but for the formation of the Underwriters Grain Insurance Association. It not only pooled the great liability assumed, but established a single-headed, comprehensive and adequate inspection and supervisory service, lessening the hazards and making it possible, without sacrificing that prudence which is so vitally necessary to the safety and solvency of insurers, to extend the much needed safeguard of insurance protection to producers and distributors and the benefit of fire preventive supervision over the grain itself, so essential to imperative needs at that time. The experience was so satisfactory that the Underwriters Grain Insurance Association has been ever since continued, without noticeable harm to any interest and to the general advantage.

Work Done in Canada

"Some of you may have had an opportunity to read the annual report of

the executive chairman of the Grain Insurance Association of Western Canada for the year ending Aug. 31, 1926. It handles line grain elevator business, which had for many years been a problem of great difficulty and a generally unprofitable undertaking, as it now is in our field. The prevalent theory was that the excessive losses were largely due to moral hazard, which many of us doubtless suspect, if not believe, is a material factor in the undue burning ratio the class has shown in several sections of the west.

Result of Cooperation

"However, the extended and interesting report to which I refer demonstrates that a capable and sufficient cooperative inspection service has produced results which are eminently satisfactory. Notwithstanding lower rates conceded, the loss ratio for the past five years is 48 percent! The rate is low, compared with the figures we are finding quite inadequate; their average rate on line elevator buildings for 1925, 1926, having been 98 cents and on grain 93 cents on daily averages of value.

Suggests Another Association

"In view of the possibility that the prevailing experience with this class of risk—many companies having proscribed the class for some years with others now and then joining the procession, so to speak—it may transpire that adequate coverage will not be forthcoming. I suggest careful consideration of the advisability of creating an association, similar to or as an adjunct of our existing Grain Insurance Association (which handles terminal elevator risks), for handling the line grain elevator business in the middle western field, as has been so satisfactorily undertaken and accomplished by our friends in western Canada."

FIRE RETURNS BY STATES

OKLAHOMA

(CONTINUED FROM PAGE 25)

		Net Premiums	Losses Paid
Pennsylvania	F.	180,597	63,590
	T.	244,263	78,164
Commonwealth	F.	52,043	9,173
	T.	82,991	18,449
Mercantile, N. Y.	F.	47,304	10,968
	T.	65,049	19,290
Netherlands	F.	32,123	3,910
	T.	21,368	4,565
London & Scottish	F.	21,911	11,541
	T.	30,506	13,738
Northw. F. & M., Minn.	F.	17,252	5,606
	T.	29,198	10,315
U. S. Merch. & Shippers	F.	8,273	2,804
	T.	30,485	11,041
United Firemen's	F.	33,882	9,209
	T.	41,650	11,817
World F. & M.	F.	33,031	16,945
	T.	46,552	19,164
Western, Canada	F.	24,060	1,733
	T.	43,084	1,823
World Auxiliary	F.	5,999	6,879
	T.	6,582	6,888
Tokio M. & F.	F.	3,116	1,259
	T.	35,312	17,064
Svea, Sweden	F.	37,083	17,891
	T.	8,060	702
Preferred Risk, Kan.	F.	9,541	729
	T.	73,598	57,039
Ins. Co., State Pa.	F.	88,162	62,127
	T.	531,908	231,830
Aetna	F.	718,215	296,762
	T.	89,940	85,274
L. & L. & G.	F.	104,064	88,263
	T.	38,382	21,143
Millwaukee Mech.	F.	46,587	21,706
	T.	17,091	6,818
Merchants, R. I.	F.	38,272	6,818
	T.	4,319	1,220
Manhattan, N. Y.	F.	5,698	1,403
	T.	12,411	3,528
Merchants, Colo.	F.	16,323	5,014
	T.	22,817	5,580
Old Colony, Mass.	F.	85,902	17,750
	T.	10,146	5,366
Natl. Reserve, Ill.	F.	11,790	5,459
	T.	208,360	101,753
N. Y. Underwriters	F.	252,514	106,909
	T.	53,505	26,539
North River	F.	37,240	37,402
	T.	1,182	1,433
Nat. Security, Neb.	F.	2,087	2,633
	T.	273,896	120,813
Fidelity-Phenix	F.	378,027	148,213
	T.	5,900	5,330
Federal Union, Ill.	F.	6,783	5,516
	T.	2,908	142
First American	F.	6,040	142
	T.	317,510	35,122
General Exchange	F.	33,647	13,874
	T.	38,518	14,501

		Net Premiums	Losses Paid
Hanover	F.	54,123	23,656
	T.	71,344	28,028
Home, N. Y.	F.	527,055	252,581
	T.	886,944	464,200
Imperial	F.	45,661	14,869
	T.	66,546	16,445
Lumbermens, Pa.	F.	9,243	1,854
	T.	11,455	1,881
London Assur.	F.	87,335	19,384
	T.	115,824	24,256
Boston	F.	70,132	27,222
	T.	91,192	42,508
Connecticut	F.	173,523	76,846
	T.	223,520	88,319
Continental	F.	226,021	91,743
	T.	319,753	113,178
Columbian Nat., Mich.	F.	2,391	191
	T.	2,559	198
Citizens, Mo.	F.	52,176	27,577
	T.	76,106	27,909
City of N. Y.	F.	49,553	18,879
	T.	82,097	30,179
Dubuque F. & M.	F.	11,212	4,761
	T.	14,825	7,381
Equitable F. & M., R. I.	F.	33,571	15,364
	T.	44,672	17,657
Federal, N. J.	F.	562	.....
	T.	139,840	64,145
Fireman's Fund	F.	188,214	97,611
	T.	6,903	884
East & West	F.	9,491	1,071
	T.	88,862	30,121
Travelers Fire	F.	123,089	32,137
	T.	5,401	1,388
N. Carolina Home	F.	2,543	1,210
	T.	3,492	1,018
Mass. F. & M.	F.	3,662	1,087
	T.	13,668	4,396
Amer. Alliance	F.	14,485	1,687
	T.	90,011	107,028
Automobile	F.	195,497	157,579
	T.	21,034	16,678
Allemanian	F.	27,727	17,421
	T.	49,926	31,512
Amer. Eagle, N. Y.	F.	76,374	35,003
	T.	5,243	1,210
Amer. Druggist, O.	F.	16,472	1,196
	T.	37,726	4,943
Patriotic	F.	22,612	11,077
	T.	40,479	11,680
Phoenix, England	F.	122,969	49,638
	T.	147,365	56,578
Retailers, Okla.	F.	484	19,071
	T.	1,426	19,646
Standard, Conn.	F.	7,084	3,034
	T.	8,538	3,134
Security, Conn.	F.	86,640	29,284
	T.	134,632	73,287
Star	F.	16,310	18,989
	T.	18,959	16,540
Sentinel	F.	749	.....
	T.	237,877	126,209
St. Paul F. & M.	F.	510,655	238,934
	T.	8,167	833
Standard Amer., Ill.	F.	12,116	964
	T.	332,443	159,975
Springfield F. & M.	F.	495,926	219,970
	T.	14,772	6,250
Union	F.	790	13,952
	T.	13,705	9,735
Republic, Pa.	F.	17,971	10,648
	T.	1,660	430
Franklin National	F.	3,237	545
	T.	23,625	25,193
Mich. Millers M.	F.	25,909	25,213
	T.	497,863	427,522
Hartford	F.	771,683	495,355
	T.	18,187	11,622
State Assurance	F.	23,937	12,111
	T.	35,272	13,424
Columbia, N. J.	F.	41,414	14,505
	T.	13,618	2,549
Eagle, N. Y.	F.	18,405	2,532
	T.	4,495	2,911
Granite State	F.	5,174	2,937
	T.	889	.....
Minneapolis Fire	F.	40,953	7,068
	T.	73,981	13,240
Providence-Wash.	F.	73,571	32,823
	T.	103,742	61,046
Glens Falls	F.	41,317	12,457
	T.	53,588	15,762
Agricultural	F.	55,665	51,029
	T.	109,716	54,288
Camden	F.	224,484	78,166
	T.	312,674	104,157
American, N. J.	F.	9,874	2,918
	T.	18,697	10,520
Commerce, N. Y.	F.	44,570	21,804
	T.	55,276	23,263
Alliance, Pa.	F.	9,268	8,534
	T.	27,935	11,782
Philadelphia F. & M.	F.	352,104	151,803
	T.	470,468	199,327
North America	F.	118,893	61,248
	T.	164,473	107,520
Niagara	F.	6,407	1,504
	T.	7,442	1,711
County, Pa.	F.	14,751	2,134
	T.	17,380	2,165
Delaware	F.	96,901	96,278
	T.	116,436	102,908
Royal	F.	54,646	41,968
	T.	107,237	48,927
Queen	F.	219,273	96,501
	T.	346,442	131,753
Great American	F.	7,990	3,588
	T.	36,244	14,779
Indem. Mut. Mar.	F.	45,614	15,219
	T.	21,759	10,728
Nat. Ben Franklin	F.	25,143	11,102
	T.	27,513	14,501
Superior, Pa.	F.	33,012	15,311
	T.	256,666	75,821
Concordia	F.	277,887	81,784
	T.	82,424	12,600
Atlas Assurance	F.	9,051	2,442
	T.	4,908	501
Universal Auto., Tex.	F.	6,909	501
	T.	67,180	27,136
Dixie	F.	56,217	25,391
	T.	13,081	11,087
Carolina	F.	14,277	11,197
	T.	17,912	1,506
Northwestern Nat.	F.	29,316	3,409
	T.	14,968	5,351
Union, England	F.	19,083	5,414
	T.	15,836	1,611
Newark	F.	22,511	2,125
	T.	19,512	4,777
Caledonian	F.	24,404	5,172
	T.	6,330	725
Safeguard	F.	7,469	2,113
	T.	4,794	2,128
Caledonian American	F.	9,304	13,454
	T.	20,466	13,784
Union, France	F.	20,466	7,688
	T.	28,336	7,737
Mechanics, Pa.	F.	33,024	7,737

	Net Premiums	Losses Paid		Net Premiums	Losses Paid
Firemen's, N. J.	F. 75,113	42,122	Hudson	F. 159,573	58,449
Girard F. & M.	F. 103,569	48,500	Illinois	T. 181,916	65,890
Harmonia	F. 25,545	14,008	Imperial	F. 11,246	8,985
Phoenix, Conn.	F. 30,561	14,008	Importers & Exporters	F. 65,110	20,715
Northern, England	F. 7,020	57	Industrial, Ohio	F. 79,425	24,356
London & Lanc.	T. 10,166	65	Inter Ocean Reins.	F. 230,691	155,264
Union, England	F. 261,241	127,502	National Res., Ill.	T. 273,292	167,852
Bankers & Ship.	T. 345,442	146,491	Nat. Security, Neb.	F. 16,921	39,710
Mich. F. & M.	F. 122,342	62,541	Newark	F. 60,823	25,851
Rhode Island	T. 162,813	76,199	New Brunswick	F. 60,239	25,876
Com. Union, England	F. 39,380	6,208	New Hampshire	T. 94,614	27,239
Palatine	F. 68,801	27,751	New Jersey	F. 6,812	3,590
Southwestern, Okla.	F. 78,648	28,244		T. 19,203	7,789
Com. Union, N. Y.	T. 44,686	28,432		F. 303,688	193,562
California	F. 108,380	41,140		T. 350,497	217,748
Twia City	F. 27,636	5,152		F. 4,788	55,017
Transcontinental	T. 30,286	5,435		T. 94,915	55,018
Eureka-Security	F. 42,954	39,926		F. —1,159	3,623
Independence	T. 51,790	41,230		F. 67,638	207,670
Detroit F. & M.	T. 144,298	72,293		F. 68,072	215,762
National Union	F. 214,309	63,395		F. 138,158	86,629
Franklin	F. 58,951	15,774		T. 140,867	88,549
Orient	T. 78,858	17,855			
Engle	T. 40,324	13,106			
National, Conn.	F. 30,696	17,855			
Law & Rock	F. 49,061	15,396			
Columbia, Ohio	F. 34,139	11,278			
Equity	T. 45,360	15,935			
U. S. Fire	F. 100,806	66,034			
Maryland	T. 174,314	94,296			
Westchester	F. 2,313	36			
Fidelity Union	T. 3,361	38			
Iroquois	F. 18,171	1,720			
Scottish U. & N.	T. 37,181	7,013			
Fire Association	F. 2,764	94			
Mech. & Traders	F. 11,566	1,057			
New Hampshire	T. 12,516	1,084			
Reliance, Pa.	F. 80,707	33,425			
Royal Exchange	T. 168,512	54,666			
Victory	F. 117,924	39,837			
Potomac	T. 138,002	69,808			
Amer. Central, Mo.	F. 14,096	8,105			
	T. 18,233	8,168			
	F. 47,648	12,596			
	T. 458,315	224,963			
	F. 575,966	245,186			
	T. 11,830	948			
	F. 15,731	999			
	T. 212	.....		
	F. 289	.....		
	T. 1,935	211			
	F. 1,935	211			
	T. 95,059	56,713			
	F. 139,801	66,653			
	T. 7,989	370			
	F. 127,362	54,047			
	T. 173,244	63,077			
	F. 9,524	9,743			
	T. 34,960	20,892			
	F. 1,046	314			
	T. 1,182	327			
	F. 24,964	13,171			
	T. 30,401	13,575			
	F. 123,972	51,873			
	T. 150,380	58,014			
	F. 28,810	13,386			
	T. 36,458	13,725			
	F. 42,516	20,282			
	T. 47,647	19,151			
	F. 12,022	7,336			
	T. 15,640	9,958			
	F. 20,517	10,386			
	T. 25,405	10,912			
	F. 12,956	4,551			
	T. 15,753	6,181			
	F. 6,184	1,857			
	T. 15,865	1,865			
	F. 146,765	70,858			
	T. 180,082	76,615			

(CONTINUED ON PAGE 62)

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912.

OF THE NATIONAL UNDERWRITER, published weekly at Chicago, Illinois, for April 1st, 1927.

State of Illinois, } ss.
County of Cook, }

Before me, a Notary Public, in and for the state and county aforesaid, personally appeared John F. Wohlgenuth, who having been duly sworn according to law, deposes and says that he is the Business Manager of The National Underwriter, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc. of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations printed on the reverse of this form, to-wit:

That the names and addresses of the publisher, editor, managing editor and business managers are:

Publisher—The National Underwriter Co., New York, Cincinnati, Chicago.

Managing Editor—C. M. Cartwright, Evanston, Ill.

Associate Editors—H. J. Burrig, F. A. Post, C. C. Nash, Jr., Chicago, Ill. Business Manager—John F. Wohlgenuth, Hinsdale, Ill.

2. That the owner is: (If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding one percent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a firm, company, or other unincorporated concern, its name and address, as well as those of each individual member, must be given.)

The National Underwriter Co., New York, Cincinnati, Chicago. E. J. Wohlgenuth, Cincinnati, Ohio; C. M. Cartwright, Evanston, Ill.; H. J. Burrig, Chicago, Ill.; G. W. Wadsworth, Chicago, Ill.; John F. Wohlgenuth, Hinsdale, Ill.; H. M. Diggins, Cincinnati, Ohio; R. E. Richman, Cincinnati, Ohio.

3. That the known bondholders, mortgagees and other security holders owning or holding 1 percent or more of total amount of bonds, mortgages or other securities are: (If there are none, so state.)

None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company, but also, in case where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

JOHN F. WOHLGEMUTH,

Secretary.

Sworn to and subscribed before me this 31st day of March, 1927.

GEO. W. GREEN,

(Seal)

Notary Public.

R. M. BISSELL, President WILLIAM WALSH, Secretary
TWIN CITY FIRE INSURANCE COMPANY
MINNEAPOLIS, MINNESOTA

The Company That Aims to Excel in Service

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Honorary Vice-President

C. S. VANCE,
President
C. M. SPENCER, Vice-President and Secretary

FRANK P. FLYNN
Treasurer

PENNSYLVANIA

British Amer.	F. 195,187	39,035
Bankers & Shippers	F. 230,043	63,694
Boston	F. 164,616	107,550
Buffalo	F. 246,349	185,308
Caledonian Amer.	F. 364,428	155,690
California	F. 187,749	210,721
Carolina	F. 112,472	41,717
Camden	F. 26,772	9,986
Commonwealth	F. 26,764	9,989
Concordia	F. 53,868	15,817
Connecticut	F. 64,118	15,897
Continental	F. 37,566	11,782
Delaware	F. 38,415	11,783
Detroit F. & M.	F. 257,209	135,378
Detroit National	F. 287,416	149,178
Dixie, N. C.	F. 379,626	73,832
Dubuque F. & M.	F. 340,155	99,978
Eagle, N. Y.	F. 267,230	158,851
East & West	F. 267,480	158,865
Eastern, N. J.	F. 356,780	161,596
Employers, Mass.	F. 427,201	192,352
Excelsior	F. 1,148,877	646,057
Equit. F. & M., R. I.	F. 1,222,782	621,882
Equity, Mo.	F. 46,443	13,166
Eureka-Security, O.	F. 48,379	13,426
Export	F. 53,480	26,480
Federal, N. J.	F. 53,557	26,510
Federal Union	F. 3,468	2,768
Hartford	F. 5,556	2,776
Home, N. Y.	F. 78,992	25,454
Home F. & M.	F. 79,206	28,454
Homestead	F. 211,701	72,205
	F. 213,688	72,597
	F. 2,212	9,212
	F. 29,614	11,884
	F. 33,744	11,478
	F. 33,911	11,483
	F. 211	.....
	F. 104,804	52,472
	F. 124,340	57,832
	F. 15,408	2,193
	F. 17,092	3,029
	F. 71,326	32,289
	F. 85,348	38,545
	F. 15,674	21,690
	F. 15,674	21,690
	F. 24,605	8,258
	F. 25,830	8,800
	T. 2,786	8
	F. 515,967	211,413
	F. 48,951	30,861
	F. 51,889	30,776
	F. 1,566,707	790,749
	T. 1,817,262	931,331
	F. 2,016,352	1,111,899
	T. 2,639,844	1,362,823
	F. 110,432	56,401
	F. 110,876	58,706
	F. 9,991	942
	T. 10,049	942

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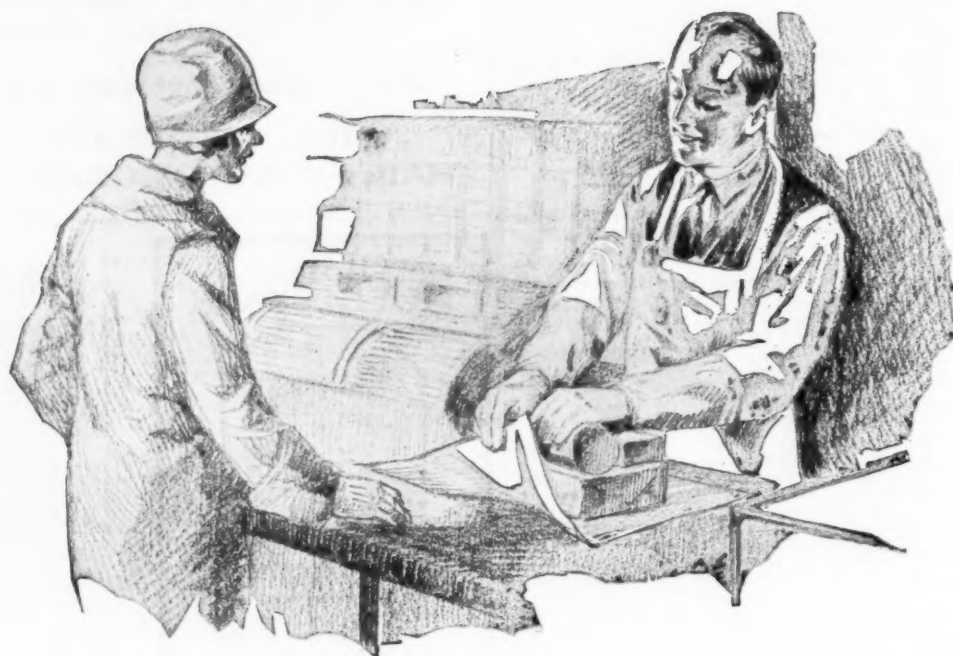
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of Hartford, Connecticut

The National Underwriter

April 14, 1927

CASUALTY AND SURETY SECTION

Page Forty-seven

ASSESSMENT STANDS FOR BIG RECIPROCAL

Associated Employers Decree Affirmed Unanimously by the Circuit Court of Appeals

COLLECT FROM MEMBERS

Total Demands \$3,200,000—Cost of Insurance About 24 Percent Above Stock Company Rates

By unanimous decision of the three judges of the United States circuit court of appeals at Chicago, the decree of Judge Wilkerson was affirmed this week in the receivership of the Associated Employers' Reciprocal. This decree ordered an assessment on members of the reciprocal to make up deficiencies in premiums running back to 1920. It requires the return to the reciprocal of dividends received by members during several years in addition to the levy of the assessment.

The amount of dividends which the members must pay back is \$655,701, averaging 11 percent for the years 1921 and 1922 and the first half of 1923. The total amount of the assessment is \$2,005,189, making a total demanded from members of \$2,660,890 above their premiums.

24 Percent Above Stock Rates

This enormous sum must now come out of the pockets of the reciprocal members who thought they were saving money as compared with stock company insurance. The average assessment and dividend together is 44 percent. The Associated Employers claimed to be saving its members about 20 percent from stock company rates. Thus the actual cost to members worked out at about 24 percent above stock company rates. As the cost of liquidation is only 26 percent, compared with the commission of 30 percent to the attorney-in-fact, the conclusive evidence from the cold figures is that in order to maintain itself as a going concern the Associated Employers Reciprocal would have had to collect from members rates 28 percent above the stock company tariffs.

Commentary on Underwriting

This is a mathematical commentary on the claim usually made by all reciprocals that they can save money because they are more careful in selecting risks than companies that operate on the agency plan. The fact is that the Associated Employers continued to carry year after year risks that were unprofitable but brought in a large premium volume. Critics of the reciprocal plan point to the fact that the financial interest of the attorney-in-fact may be opposed to the financial interest of the members. It is quite a strain on the ethics of any individual when he must pass underwriting judgment on a risk

COAL MINE PLAN READY FOR RICHMOND MEETING

TRAVELERS METHOD IS BASIS

If Sane Method of Handling Business Is Agreed to, Pool Probably Will Be Formed

NEW YORK, April 13.—With the plan of the Travelers before them as a basis, members of the special committee of casualty company officials named some weeks ago to devise a method for insuring coal mine risks are working steadily and will be able to present an illuminating report at the spring meeting of the National Convention of Insurance Commissioners, which convenes at Richmond, May 3.

Casualty men complain that the great handicap in writing mining plants is the lack of cooperation from their managers in enforcing safety regulations, the operators seemingly being concerned only in the financial aspect of their business. Whatever plan may be proposed for insuring this class of risks, underwriters insist emphasis must be placed on the accident prevention feature.

Despite the unfavorable experience had with the class in past years, it is wholly probable that if a sane method of handling the business were agreed upon, a number of companies would not be adverse to forming a pool for taking care of the liability.

that means thousands of dollars in commissions for his own pocket.

Total of \$3,200,000 Due

The assessment covers the years 1921, 1922 and 1923 and three quarters of 1924. In addition there was about \$620,000 of earned but unpaid premiums to be collected. This also throws light on the ethical position of an attorney-in-fact. As long as there is hope of the premium coming in he is tempted to carry the risk so as to get his 30 percent, although carrying the risk without getting the money may cost his paying members large sums.

Taking the dividends that must be returned, the assessments that must be paid and the earned but unpaid premiums to be collected, the enormous sum of \$3,200,000 is the total to come out of the pockets of the policyholders.

Trust Funds Not Even Intact

The losses awaiting payment are about \$2,100,000. In addition, the receiver had to include in the assessment \$549,000 in trust funds or so-called deposits belonging to individual members who in good faith had lived up to their membership requirements. This money was gone although the exchange had no right to use it. The most discreditable fact in the failure is the evidence that while the trust funds of confiding members were not maintained, other members who were delinquent were carried along at the cost of those who paid.

Awaited Appellate Decision

For many months the liquidation of this exchange has been proceeding very slowly. About 33 percent of the sums demanded from members has been paid.

(CONTINUED ON PAGE 63)

YENTER IS ENJOINED IN SURETY LICENSE CASE

ORDER FROM FEDERAL COURT

Companies Involved in Southern Surety Litigation Bring Suit Against Commissioner

DES MOINES, April 13.—Federal Judge Charles B. Davis of St. Louis has issued a restraining order preventing Ray Yenter, Iowa insurance commissioner, from interfering with the business of the Fidelity & Casualty, Independence Indemnity, Columbia Casualty, Ocean Accident & Guarantee, and Massachusetts Bonding. Hearing is set for April 19, at which time Mr. Yenter will be required to show why a temporary injunction should not issue.

Would Force License Renewal

The petition asks that Commissioner Yenter be restrained from refusing renewal of licenses and that a mandatory order be issued directing him to renew the certificates of authorization of the complaining companies. The companies involved are co-defendants in two suits brought by the Southern Surety and the commissioner had so far refused renewal of their licenses in this state.

American Employers Licensed

The Iowa license of the American Employers of Boston was renewed Saturday by Commissioner Yenter. This is one of the seven companies involved in the \$1,000,000 suit for damages brought by the Southern Surety. License was withheld at the beginning of the month from all the seven companies, reinsurers with the Southern Surety of a bond on public funds in the Carnegie Trust Company of Pittsburgh, which refused to permit the commissioner to investigate grounds of complaint against them by the Southern Surety.

The American Employers, Mr. Yenter states, withdrew its objections to the Iowa department's inquiry. The Iowa department will make its investigation in the regular course of business, Commissioner Yenter announces.

The other six companies have not had their licenses renewed but are permitted to continue business as before while the matter of licensing is held in abeyance. They include the Fidelity & Casualty, Ocean Accident, General Reinsurance, Columbia Casualty, Independence Indemnity and Massachusetts Bonding.

INTEREST IN NEW YORK

NEW YORK, April 13.—Casualty and surety underwriters of this city are greatly pleased at the action of Judge Davis of the United States district court in granting a restraining order preventing Commissioner Yenter of Iowa from interfering in any way with the business of the companies involved in the litigation instituted by the Southern Surety. Wholly regardless of the merits of the controversy, which is before the federal court for adjudication, company officials feel that the action taken by Mr. Yenter tends to prejudice the case and to that extent is an unwarranted assumption of authority.

O'NEILL IS ADVANCED TO THE PRESIDENCY

Becomes Head of Royal Indemnity and Eagle, as Successor to M. E. Jewett

WAS FORMERLY COUNSEL

Retiring Official Resigned Some Time Ago on Account of Continued Ill Health

NEW YORK, April 13.—Frank J. O'Neill was yesterday elected president of the Royal Indemnity and also of the Eagle Indemnity after the directors of the two institutions had formally accepted the resignation of Milford E. Jewett, tendered several months ago because of ill health.

Mr. O'Neill was a member of the Syracuse law firm of White, Cheney, Shinaman & O'Neill, when in 1915 he accepted the general counsellorship of the Royal Indemnity, becoming vice-president of the company as well five years later. During the illness of President Jewett, Mr. O'Neill was in immediate charge of the affairs of both the Royal Indemnity and of the Eagle Indemnity, its running mate, and his elevation to the presidency of the two corporations was taken as a foregone conclusion, hence while the action taken by the directors today was most gratifying to the fraternity, it elicited no surprise.

Fond of Football

Aside from his legal practice, Mr. O'Neill finds his chief interest in football, having in his younger days been a member of the eleven of Syracuse University. Subsequently and for 21 years he was football coach for the team and for that of Colgate and Columbia and other universities.

Other officers chosen at the Royal Indemnity election were: F. Vanderbilt, vice-president; C. E. Trinder, E. A. Tallman and T. F. Jennings, second vice-presidents; W. H. Wunner, secretary. Former officers of the Eagle Indemnity continue, except that Mr. O'Neill becomes president in place of Mr. Jewett.

Surety Association Meeting

NEW YORK, April 13.—A meeting of the Surety Association of America is in progress here today, at which it is anticipated the resignation of the National Surety and the New York Indemnity from the organization will be thoroughly considered.

Attend Mine Safety Conference

NEW YORK, April 13.—Casualty underwriters have been invited to join the conference on mine safety to be held at Cincinnati May 21 under the auspices of the American Mining Congress.

SURETY COMPANIES LOSE IN IOWA BANK LAWSUIT

NO PREFERENTIAL TREATMENT

**Decision Holds Bonding Organizations
Can Share Only in General Divi-
dends of Defunct Institutions**

DES MOINES, April 13.—After holding a place on the calendar of the Iowa supreme court for over a year, the case growing out of the contention by surety companies that public deposits were a preferred claim was decided last week, the court holding that public deposits have no preference of payment over private deposits. The original case was predicated upon issues involved in adjusting the status of bonding companies concerning public funds on deposit in the closed Exchange State Bank at Stuart, Iowa. Other bank failures still further complicated matters. Among these were the Commercial Savings, the United State Savings and the Mechanics, in Des Moines. The issues involved in the case of the Exchange State Bank at Stuart were made the basis of a blanket decision covering like situations in all closed banks in which were public funds.

The decision sets at rest controversial points involved in the following issues:

Get Only General Dividends

1. Removing the last barrier in the way of final liquidation of the United States, Commercial Savings, and probably the Mechanics Savings banks of Des Moines. The state banking department has been holding back sufficient funds in each of these banks to pay the full amount of the bonds in case the bonding companies should win their appeals. Additional dividends of 10 percent in each bank will be paid soon after the litigation is settled. The bonding companies, all of which have paid the state its deposits in full, take over the state's claim. Under the decision, they will get back only what the banks pay in dividends, instead of getting back the full amount they paid the state.

2. Upholding the constitutionality of the law making the state banking department receiver for all banks. This law was attacked by the bonding companies on the ground that its title covered more than one subject.

Decisions Under Different Laws

3. Squaring the Marathon Savings bank decisions with the Exchange State bank of Stuart decision. Under the former decision, the supreme court held public funds entitled to preference, basing its decision on the general law on distribution of assets in receivership, which covered banks as well as other corporations at that time. In the Exchange State bank decision it denied public funds preference, basing the latter decision on the special law which, it held, had set up a special law on organization and liquidation of state banks. The latter law did not affect the former, the court said yesterday, except to take banks from the general liquidation law.

No Vested Rights

4. Denying bonding companies vested rights in bonds issued prior to May 3, 1923, when the special bank liquidation law became effective, on either contractual or legislative grounds. The right of the security companies to preference did not stand on a contract, the court held, nor did the bonding companies have a vested right to preference, which the legislature could not wipe out by subsequent act.

5. Affirming the Polk district court decree holding F. C. Waterbury security on a \$500,000 depository bond in the Commercial Savings bank, liable for his share of \$137,444 and other personal sureties liable for the balance of \$253,680, total share personal bondsmen were to pay along with the corporate bonds-

CONSTRUCTION VOLUME TAKES SWING UPWARD

NEW HIGH RECORD IS MADE

**F. W. Dodge Corporation Statistics Re-
veal Building Gains in States
East of Rockies**

Construction contracts to the amount of \$620,738,200 were awarded last month in the 37 states east of the Rocky Mountains, according to F. W. Dodge Corporation. This tops the previous high record of August, 1925, by \$9,000,000. The increase over March, 1926, was nearly 4 percent and the increase over February of this year was 57 percent.

The March record brought the contract total for the first quarter of this year to \$1,398,776,100, only about 4½ percent below the figure for the corresponding period of last year. At the end of January this year was 16 percent behind last year; at the end of February, 10 percent; at the end of March, only 4½ percent. This shows there was in March considerable recovery from the low contract volumes of the preceding two months.

Residence Construction High

Last month's record included the following important items: \$250,078,300 or 40 percent of all construction, for residential buildings; \$113,766,000 or 18 percent for commercial buildings; \$106,826,900 or 17 percent for public works and utilities; \$48,076,600 or 8 percent for industrial buildings, and \$36,521,800 or 6 percent for educational buildings.

Contemplated new construction was reported in March to the amount of \$1,198,090,900, an increase of 16 percent over March, 1926. This record total of contemplated work indicates an upturn in construction demand.

New England Builds Heavily

Contracts awarded during the month of March in New York State and northern New Jersey amounted to \$153,890,200. The March total building contracts in the New England states, amounting to \$44,990,000, was the highest March figure yet recorded for this district. It was more than double the amount for the preceding month, and 30 percent ahead of the corresponding month of last year. Construction started in March in the Middle Atlantic states amounted to \$80,814,900. This was the largest March contract total on record for this district. March building and engineering contracts reached a total of \$63,716,700 in western Pennsylvania, West Virginia, Ohio and Kentucky.

Central West Total Up

Contracts let in the central west during the month of March reached a total of \$168,444,900. This was the highest March contract total on record for this district. It was 54 percent ahead of February and 29 percent ahead of March, 1926. March contracts in Minnesota, the Dakotas and northern Michigan amounted to \$10,472,900. This figure shows the considerable increase of 265 percent over February, but declined from March of last year by 13 percent. The southeastern states had \$73,544,800 in contracts for new construction in March. Construction started last month in Texas amounted to \$24,863,800. This figure is the largest March contract total on record for this district. It was 102 percent ahead of February and 18 percent ahead of March, 1926.

men. Only Mr. Waterbury appealed. In a separate decision the court held that an oral agreement, he alleged, by which he was to secure only soldier bonus funds, did not release him from liability on his bond.

The American Bonding of Baltimore was licensed in Texas last week for bonding and surety.

NEW HAMPSHIRE LAW IS MODELED ON STONE PLAN

SECURITY IN DAMAGE SUITS

**Owner After Automobile Accident in
That State Must Provide
for Payment**

The so-called Stone plan for indemnity for automobile injuries will receive a trial in New Hampshire under an act passed in that state recently. The Stone plan is very far from being an automobile accident compensation act and equally far from being a compulsory automobile insurance act. When the new New Hampshire measure takes effect the Stone plan and the compulsory automobile plan will be tried side by side. Connecticut has a law not greatly different from that in New Hampshire, so that a cross section of New England will afford a means of study of social legislation on the automobile hazard.

Must Put Up Security

The New Hampshire act provides that after an accident the operator of a motor vehicle shall be deprived of his license to operate and the owner deprived of the right to use his motor vehicle, nor shall any one else use the motor vehicle, if the owner, or any person using his motor vehicle with his express or implied consent, was solely to blame for the accident, unless and until some security is put up to take care of the damage resulting from the accident.

This security is merely for the civil liability imposed by law upon motor vehicle owners to pay damages for personal injuries, including death and property damage caused by their motor vehicles.

In a suit brought for personal injuries or death, or damage to property resulting from a motor vehicle accident, the plaintiff may petition the court for a preliminary hearing. If the court finds that the accident was probably due wholly to the negligence of the defendant, who was the motor vehicle owner or operator, the court shall require security to be furnished for an amount not to exceed \$1,000 as regards property damage or \$5,000 as regards bodily injury or death, to satisfy any judgment in such suit.

Revocation of License

If such security is not furnished forthwith, the commissioner of motor vehicles is immediately notified and he must at once suspend the license to operate of the defendant and the registration of any motor vehicles or trailers registered in the name of the defendant, and if the motor vehicle was not being operated by the owner but the court shall have found that the motor vehicle was being operated with the express or implied consent of the owner, the commissioner shall forthwith suspend the owner's license to operate, if he has one, also the registration of all motor vehicles or trailers registered in the name of the owner.

The security for damages may be furnished by any one of several forms. The only interest of insurance people is in the fact that an automobile liability insurance policy is accepted as one of the forms of security.

Under the New Hampshire law the great evil of bureaucracy in compulsory automobile insurance is avoided. Investigations show that only a small percentage of defendants in automobile damage judgments are unable to pay the verdict. The Massachusetts law erects an enormous and cumbersome state machine to take care of some 5 to 7 percent of uncollectible judgments. The New Hampshire or Stone plan avoids such excessive machinery and leaves the amount of insurance to the individual owner.

WILL ISSUE NEW RATES

NEW YORK, April 13.—New Hampshire's new automobile insurance law

HOLD "FLAMING YOUTH" IS NOT SERIOUS HAZARD

EFFECT ON AUTO ACCIDENTS

**Company Executive Says Claims Due to
Liquor and Youthful Drivers
Not Predominant**

A recent allegation by an insurance executive that the modern youth with his fast driving and bootleg liquor is causing a great number of automobile accidents is repudiated by several automobile men. One official went so far as to say that less than 2 percent of the accidents are caused by the son driving the father's car. He claims that careless underwriting is the root of the evil. The companies are responsible, he says, because they are taking all risks that may come instead of showing discrimination. He deplored the fact that only about 5 percent of the people that drive know what is under the hood of a car. Most of the accidents befall new drivers. The companies have very little trouble with the old experienced driver.

Another executive said that the sons were not especially responsible for accidents and there is no indication that companies will put back the additional family rates. He said that most accidents are caused by right-angle collisions in the outlying streets of the city. The traffic lights have not cut down accidents materially. All they do is to help regulate traffic.

Speed Cause of Accidents

Speed, says still another man, is the cause of accidents. He pointed out that when Chicago enforced the speed law strictly for two weeks and every motorist was kept down to 20 miles an hour the accidents were decreased remarkably. But eliminating speeding is very difficult. One executive said that the sons were not causing the accidents but that the companies were foolhardy to underwrite the young bloods who own cars themselves. Not until the public conscience is aroused against automobile accidents will the great toll lessen. Some even predict that unless accidents are reduced in the near future there will be restrictions placed on the manufacture of high speed cars. Until the public begins to realize the value of the human lives that are lost due to the automobile and demand that the necessary precautions be taken, the death rate will continue to grow. Other businesses have checked accidents. In shops which were formerly very hazardous accidents have been cut down to a minimum by special equipment and special precaution. Speed, carelessness and what is even worse, indifference, are the pedestrians' enemies.

To Appoint Commission

SAN FRANCISCO, April 13.—A resolution providing for a legislative committee to study compulsory automobile liability insurance in California and to consider the advisability of adopting such a law, has passed the assembly and is now before the senate judiciary committee. It is said that the resolution will undoubtedly be adopted and bills pending at this session providing for compulsory automobile insurance will be tabled.

becomes operative June 1, prior to which date the National Bureau of Casualty & Surety Underwriters will issue a new series of rates for the liability and property damage forms of coverage. As the statute requires the payment for all motor accidents, wiping out whatever restrictive conditions appear in the insurance policy, the casualty companies are preparing a reimbursement clause, stipulating that they be reimbursed by the assured for whatever payments are granted beyond those contemplated when the contracts were written.

AGE HAZARD RECOGNIZED BY ALL THE COMPANIES

Becomes a Potent Factor Both in Accident and Health Insurance Claims

AUTOMOBILE HAZARD UP

Underwriters Are Studying Very Carefully the Sickening End of the Business at Present

NEW YORK, April 13.—There is no dissent on the part of casualty company officials here from the statements made by John E. Ahern, secretary of the accident department of the Travelers, in his address before the mid-year meeting of the Health & Accident Underwriters Conference at Chicago, nor is there serious disagreement with any of the suggestions offered by Mr. Ahern for dealing with the major problems of the business. There is no question as to the increase in the number of claims resulting from automobile accidents. Officials feel that these are likely to continue on the upgrade, as the number of machines in use multiplies. Some relief may be expected as a result of improved traffic regulations, but these will not prove sufficient to offset increased road congestion.

Occupational Hazards Studied

Occupational hazards are being studied more critically than ever before. As the volume of insurance at risk increases, a closer analysis of hazards is possible. As a result of a study of this question by the standard manual committee of the Bureau of Personal Accident & Health Underwriters, the rate manual now in course of preparation and to be issued about Jan. 1, 1928, will have a number of new classifications with rates commensurate to the hazard of each.

Higher Premiums for Older Ages

Practically all of the companies demand an increase in premium for accident indemnity after the applicant reaches the age of 55, appreciating that from that period a man's physical powers wane more or less rapidly. His step has lost much of its former agility and he lacks the power to avoid accidents common to men of the younger ages. To be sure, a man of 55 or over, grows more cautious in traveling about and does not take the chances he formerly did. While this is a modifying factor, it only applies to a degree. As an offset when men on the shady side of life do suffer injury their period of disability is apt to be longer than that of their younger brothers. The added premium required for the protection is insufficient to cover the increased liability.

Medical Examination Required

The Fidelity & Casualty, one of the big accident and health companies, requires a medical examination of all applicants for accident policies after the age of 60 is reached, and will only write such risks as an accommodation to its agents. The experience of the company, according to Vice-President Hillas, disclosed that the accident frequency begins to increase after age 40, becomes more pronounced after age 50, and again jumps after age 55. As to occupational hazards, Mr. Hillas states no money can be made upon risks below the third classification.

Health Insurance Unprofitable

The health division of the business continues unpopular. Company after

DEVELOPMENT OF MAN POWER TO BE TOPIC

EXECUTIVE GROUP TO MEET

Casualty and Surety Agency Heads Plan Day of Discussion on Important Subjects

BALTIMORE, April 13.—The Casualty & Surety Agency Executives Association will hold a meeting in Baltimore April 29. It is expected that representatives of 52 companies will attend. On April 28 the committee formed at the association's last meeting to investigate the subject of developing man power will meet. On this committee are L. N. Dennison, of the instruction department of the Travelers; C. G. Hallowell, secretary of the Aetna; G. F. Michelbacher, vice-president Great American Indemnity; F. P. Stanley, vice-president Norwich Union Indemnity, and Richard H. Thompson, vice-president Maryland Casualty, chairman. The committee will report to the association at the evening session April 29.

Education Strong Note

Some of the topics on which the committee will endeavor to report are: Best ways and means of obtaining employees from schools and colleges; outline of casualty and bonding courses for schools and colleges; information on how companies of all sizes may best operate with their own training schools and without them; the matter of scholarships in colleges and other educational institutions; the question of a central employment office.

Harry R. Wellman of the bureau of personnel research of Dartmouth College will be the principal speaker at the association's evening session. He will present the college point of view on employing new men. His talk will be followed by discussion of methods currently in use and by suggestions on how a better job of employing may be done.

Incident to the meeting will be discussions of production records kept by the various companies, quota systems, field organization plans, "exclusive" representation, methods of conducting agency meetings in the field, and other features on which an exchange of information should be helpful.

company has secured and paid for its experience therewith and would be glad of a legitimate excuse for cancelling many such risks still upon the books. Men of the younger ages argue that they do not need or cannot afford to carry health indemnity, while those of older age who seek the protection give the companies an adverse selection. Notably is this true of those occupying responsible positions in the world of affairs who, if they become sick are in position to stay away from business without prejudicing their interests, do so upon the slightest provocation, passing the expense bill on to the insurance company.

May Change the Plan

Again, where legitimately ill, men of advanced years, recuperate very slowly and their claims for disability mount into very substantial figures. Health insurance, doubtless, will be written upon a sane basis, fair alike to insurer and insured, in the course of time, but a method whereby this can be done has not yet been worked out. The preparation of such a plan is one of the major problems confronting managing underwriters.

Reciprocal is Liquidating

The First National Casualty Insurers of Chicago, a reciprocal, has completed its voluntary liquidation and has ceased all business.

ACCIDENT AND HEALTH BUSINESS FOR CANADA

TRAVELERS WAS 1926 LEADER

Premiums and Losses for Companies Writing Separate Classes or Combination Business in Dominion

Combined figures on accident and health insurance in Canada last year showed total premiums of \$6,192,932 and losses of \$3,089,077. The Travelers was the leader on combined figures with premiums of \$715,468, the Continental Casualty ranking second with \$607,096, and the Dominion of Canada Guarantee & Accident third with \$582,111. Figures by companies are as follows:

PERSONAL ACCIDENT

	Net Premiums	Losses Incurred
Alliance Assur.	\$ 22,681	\$ 10,808
Autocar	6,414	651
British America	111,202	61,897
Canada Accident	40,854	28,481
Canadian Surety	88	.....
Car & General	10,404	12,754
Cas. Co. of Canada	4,864	1,334
Commercial Union	2,958	1,157
Continental Casualty	310,715	133,840
Dominion Gresham	30,575	22,361
Dom. of Can. G. & A.	364,518	142,766
Employers Liability	87,353	26,923
Fidelity & Casualty .....	.....	9,000
Fidelity Insurance	4,433	4,757
Genl. Acci. of Can.	46,224	16,222
Genl. Acci. F. & L.	1,687	732
Globe Ind. of Can.	155,350	65,265
Guardian of Can.	20,270	8,614
Hartford Accident	16,408	5,835
Imperial	825	.....
Indemnity Ins. Co.	18,549	3,552
Law Union & Rock	12,521	6,342
Liverpool & L. & G.	20,121	9,658
Lon. & Lanc. Gtee.	74,022	38,461
Lon. & Provincial	3,305	1,031
London & Scottish	2,001	559
Lon. Guar. & Acci.	92,268	39,597
Maryland Casualty	24,316	6,053
Merchants & Emp.	2,809	270
Metropolitan Life	62,174	27,845
Motor Union	4,721	1,557
North. Amer.	30,797	21,550
North British	4,359	1,925
Northern Assurance	28,170	8,750
Norwich Union Fire	58,629	25,110
Ocean Acci. & Guar.	195,650	110,856
Preferred Accident	14,296	4,975
Railway Passengers	43,441	18,957
Royal Exchange	16,984	15,055
Royal Insurance	100,316	20,572
Scottish Metrop.	22,849	11,858
Sun	10,829	195
Travelers	572,207	230,440
Union Assurance	8,662	6,667
U. S. F. & G.	40,995	14,579
Western Assurance	111,262	61,897
World Marine	8,158	1,843
Yorkshire	36,280	11,567
Zurich	5,649	1,636
Totals	\$2,958,558	\$1,303,603

SICKNESS INSURANCE

	Net Premiums	Losses Incurred
Alliance Assurance	\$ 28,624	\$ 12,491
Autocar	475	345
British America	56,560	30,150
Canada Accident	29,117	17,630
Cas. Co. of Canada	3,652	938
Car & General	1,802	1,402
Commercial Union	2,086	1,209
Continental Casualty	296,381	175,262
Dominion Gresham	28,224	21,397
Dom. of Can. G. & A.	217,593	103,890
Employers Liability	64,699	446
Fidelity & Casualty .....	.....	31,450
Fidelity Insurance	3,409	2,728
Genl. Acci. of Can.	27,437	13,116
Genl. Acci. F. & L. .....	.....	.....
Globe Indemnity	111,527	58,652
Guardian of Can.	5,443	1,962
Hartford Accident	8,025	2,256
Imperial Insurance	261	107
Indemnity	8,553	5,010
Law Union & Rock	5,235	3,167
Liverpool & L. & G.	12,884	8,556
Lon. & Lanc. Guar.	46,403	24,041
Lon. & Provincial	3,087	2,139
London & Scottish	847	210
Lon. Guar. & Acci.	33,970	18,790
Maryland Casualty	30,036	18,466
Merchants & Emp.	1,508	267
Metropolitan Life	27,862	22,458
North. Amer. Acci.	25,544	11,527
North British	1,361	477
Northern Assurance	17,729	10,709
Norwich Union	38,376	18,102
Ocean Acci. & Guar.	58,701	32,764
Preferred Accident	3,792	991
Railway Passengers	27,378	14,037
Royal Exchange	1,683	5,533
Royal Guardians	4,921	2,653
Royal Insurance	44,271	22,922
Scottish Metrop.	17,171	7,396
Sun	4,784	1,750
Travelers	143,261	87,985
Union Assurance	4,445	4,445
Union of Canton	80,266	50,726
U. S. Fidelity	34,894	10,446
Western Assurance	56,560	30,150
World Mar. & Gen.	2,271	2,271
Yorkshire	23,289	14,647
Zurich	294	.....
Totals	\$1,654,450	\$ 900,690

MANY MILLIONS LISTED FOR BUILDING ROADS

United States Department of Agriculture Estimates Amount for This Year

CONTRACT BONDS NEEDED

Expected That the Surety Companies Will Have Some Splendid Business on Highway Work

NEW YORK, April 13.—Over \$640,000,000 will be spent in highway construction by 47 states during the present year, according to reports furnished the federal department of agriculture. Of this huge sum it is estimated approximately \$421,000,000 will be required for building new roadways; \$56,000,000 will be used for the erection of new bridges capable of sustaining heavy traffic; the reconstructing of existing highways will call for \$27,000,000, while maintenance work will entail an expenditure of close to \$120,000,000.

Surety Men Interested

The selfish interest of surety underwriters in all this lies in the fact that highway construction bonds aggregating well into the millions, will be called for as contracts are awarded. While the statutes of some of the states require that the surety bond be in the full amount of the contract, the general practice is to demand but 50 percent of the award. The uniform rate for bonds of this character is 1½ percent of the contract price for two years.

Company Policy Differs

While some companies are guarded in their acceptance of highway bonds, requiring that applications therefor be submitted to the respective head offices by agents, others give their representatives full power to grant the indemnity, insisting only that the latter assure themselves that the bond applicants are firms or individuals of tried experience, possessed of independent financial resources, and have not been avaricious in taking on too much work.

Road Construction Standardized

Road construction has become pretty well standardized of late years and no particular problems are involved in the work, assuming that the contractor possesses engineering skill or has men of the requisite knowledge in his employ. While losses on highway work have been numerous in the past, almost invariably these were given the underwriters by contractors of very limited experience, or, if competent, have loaded up with too many jobs. Intelligently scrutinized, highway construction bonds, in the opinion of many company executives, constitute a desirable class of business and their agents are encouraged to seek it.

COMBINED ACCIDENT AND SICKNESS

	Net Premiums	Losses Incurred
Employers Liability	\$ 51,159	\$ 67,581
Genl. Acci. of Can.	97,996	49,205
Lon. Guar. & Acci.	27,501	11,140
Loyal Protective	*292,924	161,539
Merchants Casualty	*398,483	161,296
Merchants & Emp.	*58,218	28,867
Metropolitan Life	117,925	105,704
Monarch Accident	*8,258	1,363
North Amer. Acci.	55,038	17,794
Protective Assn.	368,329	233,450
Prudential	104	75
Ridgely Protective	*65,997	39,138
Western Casualty	*37,667	17,632
Totals	\$1,579,965	\$ 884,784

*Including policy fees.

Insure in April

This slogan—"Insure In April"—is being used by the nation's leading STOCK COMPANIES and their agents in making a concerted drive for Automobile Insurance in Indiana, Illinois and Michigan.

April, heralding the approach of summer—crowded highways—slippery streets and accidents, is the logical month in which to *buy* Automobile Insurance and the right month to *sell* it.

And *Standard* agents, equipped with strong, STOCK COMPANY policies and plenty of ammunition in the way of scientifically prepared sales literature, are beating down the barriers of competition—running up a volume of Automobile Insurance sales here-to-fore unequalled for a single month—proving to themselves that STOCK COMPANY Automobile Insurance CAN be sold, *successfully* and *profitably*—even in the face of keen competition.



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Galveston

Complete Automobile Protection

In One Policy

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FIDELITY AND SURETY BONDS

Whatever any other company does for its Agents within the bounds of sound, ethical business and good underwriting practices we will do.

**Desirable General Agency Contracts Available
in Unallotted Territory**

WORKMEN'S COMPENSATION

FLORIDA PROPOSAL EXPECTED

Introduction of Bill for State Workmen's Compensation Insurance Is Anticipated by Agents

NEW YORK, April 13.—Anticipating the introduction of a state fund workmen's compensation bill in the recently convened session of the Florida legislature, agents of the state have been advised by their association to be on the alert for its appearance. While the majority of the local men are alive to the situation, a number on the other hand are inclined to treat it lightly, recalling that a bill of such character was easily defeated two years ago, and that similar treatment will be accorded the new measure if submitted. Underwriters here view the matter differently, asserting that conditions in Florida have changed of late, and that the lumbermen and owners of phosphate plants, which constitute two important industries in the state, are now strongly disposed toward the state fund idea, and will do all within their power to secure its adoption. This change in attitude of these two leading interests was induced through the rate advance applied to their state some months ago. While the increase in tariffs was substantial, underwriters assert it is none too great, and was fully justified by experience.

Violated Law but Can Recover

ST. PAUL, April 12.—Violation of a statute or an ordinance while in the performance of his work does not defeat the right of an employee to compensation. The state supreme court so ruled in reversing a decision of the industrial commission in a case in which the American Mutual Liability was the insurer.

The workman had been sent on a rush errand and to save time boarded a moving train. The court found that this had been a usual practice among employees of the firm and had never been forbidden by the foreman of the crew. The employee in question fell from the train and was injured. The court held that he was acting in the interest of his employer and was entitled to compensation.

Open Compensation to Farmers

LINCOLN, NEB., April 13.—After having securely buried S. B. 62, which gives to farmers the option of coming under the workmen's compensation law or staying out, the house, under pressure from the senate, resurrected and passed it, after denuding it of the amendment the house committee of the whole attached, which made it mandatory upon operators of corn shellers, thresher outfits, clover hullers and hay bailers, to take out insurance. In its present form and as it will become a law it provides that when a farmer takes out a compensation policy he automatically takes himself and those who work for him under the operation of the law and if the workers do not wish this they must give notice.

May Increase Michigan Payments

LANSING, MICH., April 13.—Companies writing compensation lines in Michigan will soon be collecting higher rates, it appears, to cover the probable increase in compensation which it now seems certain the current legislative session will grant. The lower house passed, 82 to 12, the Wade-Bartlett bill which provides for an increase in maximum compensation rate from \$14 to \$18 and raised the percentage of the average weekly wage to be paid from 60 to 66 2/3 percent.

At a public hearing in the house, Governor Green was one of the leading speakers in behalf of the bill and Lawrence P. Fisher, head of the Cadillac Motor Car Company, said that the measure was favored by General Motors Corporation, the state's biggest single employer. The Michigan Manufacturers' Association which has consistently opposed effort to liberalize the present law, is also slated to make its last stand in the upper house in a final effort to block the house bill.

CANADIAN LOSS RATIO HIGH

Companies Writing Workmen's Compensation Had Unfavorable Experience in Dominion Last Year

Workmen's compensation insurance in Canada, as in the United States, showed a heavy loss ratio last year, with total premiums of \$3,039,914 and losses of \$2,164,072. The Employers Liability was the leader in this class with premiums of \$654,608, the Indemnity Insurance Company standing second with \$483,306. Premiums and losses by companies are as follows:

	Net Premiums	Losses Incurred
Alliance Assurance...	13,943	2,770
Autocar	6,956	4,781
British America	3,499	445
British Oak	18,766	61,649
Canada Accident	37,411	28,354
Canadian Indemnity	5,232	815
Canadian Surety	2,176	18
Car and General	8,999	1,416
Casualty Co. of Can.	707	...
Continental Casualty	1,525	274
Dominion Gresham	104,009	85,180
Employers Liability	654,608	472,546
Fidelity & Casualty .....	...	720
Fidelity Insurance	607	775
Gen. Acc. of Canada	36,187	25,614
General Acc. F. & L.	1,221	109
Globe Indemnity	71,262	46,860
Guardian of Canada	21,631	7,858
Hartford Accident	80,762	80,822
Imperial	32	...
Indemnity Insurance	483,306	264,094
Law Union & Rock	3,280	1,460
Liverpl. & Lon. & G.	3,170	882
London & Lan. Guar.	12,637	5,816
London & Scottish	1,082	274
London Guar. & Acc.	76,514	67,235
Lumbermen's M. Cas.	10,377	3,870
Maryland Casualty	25,885	9,202
Merchants & Empl.	208,788	104,210
Motor Union	51	...
New York Casualty	7,997	12,508
North Amer. Acc.	60,246	55,767
North British	3,171	68
Northern Assurance	80,682	64,655
Norwich Union Fire	20,616	15,737
Ocean Acc. & Guar.	50,638	27,685
Queensland	10,962	2,569
Railway Passengers	32,901	15,912
Royal Exchange	26,916	26,094
Royal Insurance	72,741	56,218
Scottish Metropol.	4,454	4,568
Sun	4,808	1,401
Travelers	264,494	244,133
Union Assurance	7,990	13,600
Union of Canton	146,498	164,852
United States F. & G.	114,402	40,530
World Marine	29,476	19,012
Yorkshire	72,325	36,928
Zurich	111,477	75,293
Totals	\$3,039,914	\$2,164,072

Hard Jolt for Wyoming Fund

Monopolistic state compensation fund of Wyoming is expected to be given a hard jolt as a result of the explosion last week at the oil refinery of the Producers & Refiners Company at Parco, Wyo. Seventeen employees were killed by this explosion and a number of others injured, and the compensation total is bound to be very heavy. The Wyoming fund was already in such bad shape financially that steps had to be taken at the recent legislative session towards its rehabilitation.

New Kentucky Board Chairman

Joseph M. Lee of Louisville, for three years a member of the Kentucky Workmen's Compensation Board, has become chairman of the organization. He is recognized as something of an authority on compensation matters, with which he has had considerable experience. The appointment was made by Governor Fields.

Travelers Indianapolis Changes

Gerald Hassmer, Malcolm Baird and Milton Buckingham have entered the claim department of the Travelers' Indianapolis branch office. Leo D. Thren has been transferred from the Reading, Pa., branch office to the Indianapolis office as assistant to the counter man and C. P. Nichols, who was assistant cashier in charge of the casualty counter in Indianapolis, has been transferred to the Grand Rapids branch. Frederic D. Scott has succeeded him in the Indianapolis branch.

WHO ARE YOUR KIN-FOLK?

We are proud to have in our business family representing us for one or more of the lines we write such splendidly outstanding agents as these -

Cliff Jones, Kansas City, Mo.
Past President
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T. C. Moffatt, Newark, N. J.
Past President
Nat'l Assn. Ins. Agents

Donald North, New Haven, Conn.
Member Executive Committee
Nat'l Assn. Ins. Agents

Fred H. Phillips, Springfield, Mo.
Past Pres. Mo. Assn. Ins. Agents
Regional Vice Pres. Nat'l Assn.

Lee A. Dudley, Battle Creek, Mich.
President
Michigan Assn. Ins. Agents

Archer Sanderson, Providence, R.I.
Past President
R. I. Assn. Ins. Agents

These men achieved prominence in the councils of the Agents Associations because of the quality of the service they gave to the cause with which they identified themselves.

It is our ambition to make the New York Indemnity Company more prominent through the quality of service we give to our representatives everywhere.

And by the way, we need good agents all over the Country.

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Continental Casualty Company

H. G. B. Alexander, President

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Casualty Insurance

Surety Bonds

Undisputed Leadership in Plate Glass Replacements

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SINCERE SERVICE

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MILWAUKEE, WIS.

WITH BURGLARY UNDERWRITERS

OVER INSURANCE IS BLAMED

Held Responsible in Large Measure for
High Loss Ratio in Burglary Cov-
erage Field

At the monthly meeting of the Burglary Underwriters Club of Chicago, C. F. Clifford, assistant superintendent of the burglary department of the United States Fidelity & Guaranty, said that over-insurance is the principal cause of the present high loss ratio in burglary insurance. Mr. Clifford said that the greater the premiums the greater the hazard. Over-insurance, if it continues, must bring changes in the burglary business, he asserted. Every risk should be insured only to 80 percent of its value, and less if there is a speculative element.

Co-insurance is at present applicable to open stock business but Mr. Clifford predicted that it would be used in connection with other burglary lines. The cream of the burglary business is the residences and middle class merchants.

Mr. Clifford stated that another cause of the existing high loss ratio is the concentration of risks. In Chicago, for example, most of the business is written within a radius of 10 or 15 miles. He said that burglary producers should get out into the outlying districts, so as to give the company a spread of business. Outside of a limited area, the average prospect has never thought seriously of burglary insurance. The average loss ratio of all of the companies during the past 25 years on open stock business has been 63 per cent and Mr. Clifford said that this figure would go even higher unless the companies absolutely insisted upon the proper amount of co-insurance on all such risks and exercised extreme precaution in taking any open stock business on the books.

W. P. Northcott of the Anakin Lock & Alarm Co. also spoke, explaining the operations of his company's various locking devices.

SIMONS WITH GRISWOLD & CO.

H. Melgaard Succeeds Him as Manager
of Burglary Department of Ocean
Accident in Chicago

W. W. Simons, for the past 12 years manager of the burglary department of the Ocean Accident in Chicago, has gone with J. C. Griswold & Co., general agents in Chicago of the Phoenix Indemnity. The Griswold agency was organized Jan. 1 of this year. Mr. Simons was with the Globe Indemnity in Chicago for about five years before going with the Ocean. He is a burglary insurance expert, has a wide following among brokers and agents, and is popular personally.

E. W. Robinson, manager of the Phoenix Indemnity in Chicago, makes his office with J. C. Griswold & Co. and arranged with Mr. Simons to go with the Griswold agency.

H. Melgaard, who has been in the burglary department of the Ocean Accident for the past five years, has been appointed to succeed Mr. Simons. Mr. Melgaard was in the brokerage business for himself for two years immediately preceding his connection with the Ocean.

Bank Loss in Nebraska

LINCOLN, NEB., April 12.—Loot of \$24,000 in cash and non-negotiable bonds was secured by two men who held up the officers of the Farmers State Bank at Superior, Neb., along with 12 customers, some of whom entered while the holdup was in progress. The robbers escaped, but one of them has been identified by the men held up as being a man badly wanted for months for other robberies. The loss was fully covered by insurance.

NEW CODE UP IN MICHIGAN

Criminal Statutes May Be Amended
Along Line of Famous Baumes
Law in New York

LANSING, MICH., April 13.—Probable passage at this session of the Michigan legislature of the Harris code of criminal procedure, a complete rewriting of the present Michigan code with an eye to tightening up and speeding up administration of the criminal laws, is of interest to insurance men. The house has already passed the code, following out the recommendation of Governor Green, who urged its approval without amendment, and the senate is expected to consider it.

The codification is considered a counterpart of the famous Baumes laws of New York State, although the Michigan crime commission which drew up this code worked independently and incorporated many features not found in the Baumes law. The distinctive feature of the New York legislation, however, pyramiding sentences for repeated offenses, culminating in life imprisonment, is included in the Michigan code.

The casualty companies are especially interested in the measure as they see in it a concerted move against crime. With burglary rates in Detroit necessarily very high and with all Michigan in the grip of the so-called crime wave for several years, enactment of the new code will be of the utmost importance to many companies. Detroit's auto theft rate, now the highest in the country, may also be affected, it is believed. Michigan bankers are organizing vigilante systems throughout the state at the present time and these, together with the new code, are expected to work wonders in discouraging the criminal's operations in this state. Although there appears little chance of obtaining a capital punishment law at this session, it is generally believed that a general tightening up in court practice, speeding up procedure and assessment of stiff penalties will bring about the greatest improvement in the crime situation.

PLATE GLASS INSURANCE

CENTURY IN MOORE BUREAU

Tabulation of Results as Basis for New
Plan of Experience Rating Is
Now Being Made

NEW YORK, April 13.—The Century Indemnity, running mate of the Aetna Fire, is the latest casualty company to subscribe to the plate glass insurance rating service of W. F. Moore of this city, increasing the member offices to about 60. The Moore Bureau is now tabulating the experience of its subscribers upon all risks throughout the country paying \$250 or more each in premiums annually, and embracing not less than 25 lights. The record will be predicated upon an experience of not more than four years and nine months, nor less than 21 months. It is assumed that of the 600,000 or more individual plate glass policies issued throughout the country each year, from 2,500 to 3,000 will be eligible under the experience rating proposition. The loss frequency in the business is figured at about one in each four risks.

Working Out New Method

The experience rating plan in operation follows broadly the lines adopted by the plate glass division of the National Bureau of Casualty & Surety Underwriters, though it has certain modifications. A special managerial committee, of which Norman C. Stevens

of the Aetna Casualty (and incidentally mayor of Hartford) is chairman, is working out the details of a new method for recording the experience, which is intended to supply all essential data required and at the same time reduce the work to a minimum. There is no friction between the Moore service and that of the National Bureau, and nothing is further from the mind of either than to permit rate-cutting or other demoralizing practices, each being concerned in maintaining the conduct of the plate glass business on a high plane. The total plate glass premiums received last year were approximately \$16,073,000, slightly less than in 1925. The falling off is due to a reduction in rates ordered some months ago.

Oklahoma Rates Reduced

NEW YORK, April 13—Effective May 1, plate glass insurance rates in Oklahoma will be reduced 20 per cent. The total plate glass premiums from the business in the state last year amounted to approximately \$175,000. Oklahoma is the only state in the Union the commissioner of which has complete authority in the matter of plate glass rates, and the reduction soon to be operative was made by his direction, though its reasonableness was questioned by underwriters.

Last September Commissioner Read of Oklahoma visited the office of W. F. Moore, the plate glass rater in this city, and checked off with the latter the experience of the companies writing the business in his state. The results disclosed that in the nine years, 1917 to 1925 inclusive, the percentage of incurred losses to earned premiums averaged materially higher than experience in the country as a whole. In July, 1926, a reduction of from 10 to 15 per cent was allowed on plate glass risks in Oklahoma, and now that an additional 20 per cent reduction has been sanctioned, the business of the state is not likely to be particularly attractive to the companies.

ACCIDENT AND HEALTH

REVISED SHEETS SENT OUT

Classification Committee of the Bureau Asks Suggestions from the Underwriters As to Changes

NEW YORK, April 13.—Advance sheets of the revised accident and health rate manual which it is proposed to issue by the first of next year, have been sent casualty companies by the standard manual and uniform classification of risks committee of the Bureau of Personal Accident & Health Underwriters, with the request that the suggested changes in rates and risk classifications be carefully scrutinized.

The committee plans meeting early next month and desires that whatever suggestions the fraternity may have to offer with respect to the work thus far accomplished be in its hands before that time. While there have been a number of changes in the risk classifications, with corresponding alterations in rate charges, none is material. Unless compelled by subsequently received suggestions, the figures of the new manual will not differ greatly from those now in use, and which have governed for the past 10 years.

It has been offered that existing classifications ranging from select to ordinary be altered, rates for the proposed four new groupings to be \$5, \$6, \$7 and \$8.50, respectively.

Industrial Conference Men Meet

A meeting of the executive committee of the Industrial Insurers' Conference is to be held in Chattanooga April 22. This is a specially called meeting. It is expected that almost the entire membership of the conference will have representatives there.

MERELY FOLLOW PRECEDENT

Michigan Commissioner Says Holding Up License of Twentieth Century Life Based on "One-Year Rule"

LANSING, MICH., April 13.—Refusal of the Michigan department to issue a certificate of authority to the Twentieth Century Life of Chicago is purely a matter of adhering to precedent, representatives of the company were told at an informal hearing here last week. Judge Pliny Marsh of Detroit, through whom the Chicago company made its request for a conference with department officials, and M. A. Nelson, Chicago attorney, appeared for the Twentieth Century.

It was explained by Commissioner Livingston that Michigan has a so-called "one-year rule" under which the department will admit no company from outside the state until it has shown at least one year of successful operation. Because the Twentieth Century, in its present form, is less than six months old, it is impossible to issue it a license at this time, it was declared. The commissioner held that no other consideration need enter into the situation for the present.

FULL PROTECTION IS NEEDED

F. B. Wilde of Connecticut General Stresses Danger from Growing Use of Automobile

"In selling accident insurance today," said F. B. Wilde, secretary of the accident department of the Connecticut General, in a recent interview, "the main thing to emphasize is that the

basic need in accident insurance is for adequate protection against any accident which may happen, and for maximum protection against the greatest hazard.

"In the past this meant double payment for all travel accidents and single payments for all other accidents. Train wrecks were more frequent and the hazard of traveling was considered great.

"The trend of the times has changed. There are now over 20,000,000 automobiles in America and more than a million automobile accidents occur throughout the country every year. No other form of accident is so frequent, so expensive, so featured in the public press or so present in public consciousness. "It was for this reason," said Mr. Wilde, "that the Connecticut General provided its AA accident policy, which pays single for all ordinary accidents and double for automobile accidents. The contract is most attractive for business men who want generous, up-to-date, complete protection."

CAUSES OF CLAIMS LISTED

Travelers Prepared Detailed Classification of Those on Which It Made Payments in 1926

The Travelers has prepared a detailed analysis of the causes of accidents for which it paid claims in 1926. Automobile accidents of course lead in both number and amount. Caretaking or repairing caused the largest number of these accidents, while skidding or ditching brought in the largest volume of claims. Collisions with other automobiles stood second both in number and amount. The classification by causes is as follows:

	No.	Amount
Automobiles	6,886	\$1,421,995
At home—inside	3,974	379,980
At home—outside (around yard, barn, etc.)	1,998	226,470
Pedestrians	2,488	466,780
Sports and recreation...	4,696	478,842

(CONTINUED ON NEXT PAGE)

B. D. LECKLIDER, *President*

HOWARD SLONEKER, *Secretary*

THE OHIO CASUALTY INSURANCE COMPANY

Hamilton, Ohio

Assets
\$1,798,236.49

Surplus to Policyholders
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ROBT. J. HILLAS, President

CASUALTY INSURANCE AND SURETY BONDS

*Writing Casualty Insurance
Fidelity and Surety Bonds*



FEDERAL SURETY CO.
HOME OFFICE DAVENPORT, IOWA

(CONT'D FROM PRECEDING PAGE)

	No.	Amount
Travel	1,316	435,002
Misc. accidents in public buildings	617	98,001
Misc. outside accidents	46	24,662
Hotels	286	39,533
Motorcycles	57	6,688
Horses and vehicle	32	3,440
Elevators & escalators	19	2,861
Occupational	9,879	873,472

Total 33,303 \$4,457,733

Travel accidents are further subdivided as follows:

Elevated	4	\$ 230
Railway travel	889	322,675
Street railway	279	37,478
Subway	20	6,334
On water	124	68,282

Total 1,316 \$435,002

Accidents at home, inside, show these causes:

	No.	Amount
Asphyxiation	9	\$ 15,887
Assaults	9	10,947
Bitten by animals	48	3,068
Bitten by insects	42	2,629
Burning buildings	6	569
Burns by acids, chemicals	13	542
Burns on stoves, radiators	163	9,555
Burns by matches, cigars	26	765
Burns by steam or hot water	77	4,136
Caught in windows, doors	125	6,007
Struck by falling objects	181	10,436
Collisions with inanimate objects	331	38,703
Collisions with persons	62	4,197
Cut on bottles, sharp instruments	832	65,390
Eating or drinking, friction of clothing or shoes	86	11,625
Foreign particle in eye	79	5,409
Explosion of gasoline, fireworks	53	2,591
Falls from chairs, tables	84	7,100
Falls from ladders	36	2,917
Falls while getting in or out of bed	44	3,689
Falls in bath tub	98	20,260
Falls into trap doors, chutes	7	1,655
Falls on floors, rugs	419	37,984
Falls on stairs	599	63,497
Falls over objects	48	6,584
Handling, lifting or carrying objects	170	14,310
Hand tools	66	2,265
Machinery	26	1,653
Poisoned by shrubs, plants and other infections	29	7,710
Splinters	84	3,945
Stepped on broken glass, nails	83	4,749
Miscellaneous	39	9,193

Total 3,974 \$379,980

Lincoln Mutual Reinsures

The Lincoln Mutual Casualty of Springfield, Ill., which did an accident and health business, has reinsured in the Merchants & Bankers Casualty of that city. Some \$28,000 of premiums were taken over. The Merchants & Bankers Casualty is part of the G. C. & H. G. Rockwood organization, they controlling also the Continental Auto Insurance Association and the Continental Finance Company. W. A. Orr was secretary and manager of the Lincoln Mutual Casualty.

Protective League Active

Some of the accident and health companies are finding that the Farmers Protective League, which is maintained by the "Prairie Farmer," is very vigilant in taking up insurance claims where farmers are seeking to force payment. Frequently there is a dispute as to a company's liability. There may be a difference of opinion as to the amount, or as to liability entirely. If the claimant is a farmer and belongs to this league he files his complaint with the league. It takes the matter up at once with the company, using powerful influence to secure a settlement favorable to the claimant.

Would Tax All Policies

House Bill 982, providing for an annual tax on policies of life, accident and health insurance and renewals thereof, rate 25 cents a thousand, has been introduced in the South Carolina legislature.

Is Broadening Scope

DALLAS, April 13.—The International Travelers Assurance of this city, formerly the International Travelers Association, but recently transferred to a stock basis under the name of the International Travelers Assurance, is planning to extend its activities into

adjacent states in the near future. At present the company is operating only in Texas. The company, which has been on a stock basis since April 1, is now getting out several new policies and is broadening the scope of its activities in the various departments.

Exemption from Legal Process

A bill to exempt all disability, health, sickness and accident insurance from legal process and to provide for the disposition of such insurance in the event of death has been introduced in the Tennessee legislature. The text of the bill is:

"Be it enacted that all insurance carried by any person providing compensation for physical disability, sickness, impoverished health or accident be, and the same is hereby declared to be exempt and free from the claims of all creditors, attachments, executions or other legal processes, and in the event of the existence of an unpaid accumulation of such compensation at death, same shall be disposed of as the deceased may direct, and in the absence of a will same shall inure to the benefit of the widow, if any, and if not the next of kin, as other personal property."

Reverse Commonwealth Casualty Case

ST. LOUIS, April 13.—The United States court of appeals here last week reversed District Judge Paris in the case of the Commonwealth Casualty's "peerless special \$10 accident and sickness policy," which Judge Paris had censured as ambiguous and calculated to deceive.

The case arose over the death by drowning of a policyholder. The insurers held that the policy insured for \$5,000 only in the event of death by accident of travel, and only for \$100 in the event of death by accident, not in course of travel. The district court awarded the beneficiaries \$5,000. This award the court of appeals reduced to \$100.

Opens New Chicago District

On account of the rapid expansion of the business of the Washington Fidelity National at Chicago, it was found necessary to create a new district, to be known as Chicago 5. The new place for the business in this district was taken chiefly from the old Chicago 2, the business of the latter having become bulky for efficient handling in a single office. W. J. Duke has been placed in charge of this district as manager. He started with the company in May, 1922, as an agent and was promoted to field superintendent in January, 1924.

J. K. Dennis has been promoted to manager of Chicago 2. He started with the company in November, 1922, and was advanced to a field superintendency in April, 1923.

Southern Surety Sets Record

DES MOINES, April 12.—In March the Southern Surety's health and accident department broke all previous records for business written. Insurance written in March this year exceeded that of February by 48 percent and was a gain over March, 1926, of 45 percent.

Announce Coast Appointments

Appointments of the Howard-Horton Agency of Portland as state agent for the commercial department of the Washington Fidelity National in Oregon is announced by L. B. Hoge, vice-president and Pacific Coast manager. Mr. Hoge also announces the appointment of F. M. Swab of Denver as state agent in Colorado for the commercial and installment departments.

Ask Views on Meeting Place

Harold R. Gordon, executive secretary of the Health & Accident Underwriters Conference, has sent out a letter to all member companies, asking for an expression of their preference as to the place for holding the next meeting of the conference. At the recent meeting in Chicago the matter was left in the hands of the executive committee, which will be guided largely by the wishes of the membership, as expressed in the replies to this letter.

Accident Notes

The Twentieth Century Life of Chicago has been admitted to Indiana to write accident and health insurance.

Harry J. Miller, superintendent of the accident and health department of the New York branch office of the Metropolitan Casualty, has resigned effective May 1.

AMONG SURETY MEN

MORTGAGES ARE GUARANTEED

Prof. McKenna in an Article Comments on the Attitude of the Surety Companies

Edward L. McKenna, assistant professor of the Wharton School of Finance & Commerce, University of Pennsylvania, in a recent article in the "Annals" of the American Academy of Political & Social Science finds there are now six companies that guarantee mortgages, they being the National Surety, Maryland Casualty, Globe Indemnity, Metropolitan Casualty, United States Fidelity & Guaranty, Massachusetts Bonding. He finds that these companies are writing under a uniform premium of one-half of 1 percent on the face of the guarantee per year.

Others Willing to Enter

Other companies, Professor McKenna finds are unwilling to enter the business at the present time because of the uncertainty of the real estate market, the lack of facilities within the company for the investigation of mortgage loans and the belief that it is improper to allow the company's name to be used as a selling argument in campaigns in the marketing of securities. He reaches the conclusion that there is evidence of the surety companies becoming interested in the underwriting of mortgage securities and proceeding to develop a technical and highly specialized field which may be very profitable.

R. C. Barnes has been appointed claim adjuster in Iowa for the Federal Life of Chicago. He will handle all claims through the Iowa state agency offices in Des Moines.

WAS NOT LIABLE FOR NOTARY

Court Said Certificate Was to Assure That Mortgage Was Actually Signed as Purported

MILWAUKEE, April 13.—The Maryland Casualty has won the decision in the suit brought against it by Mrs. Anna Mlekus of Milwaukee, as the Wisconsin supreme court has reversed the decision of the circuit court in Milwaukee. The case involved liability on a notary public covered by a bond underwritten by the Maryland Casualty, and it arose out of the dealings of the late Otto Habegger, real estate man in Milwaukee, who was found dead in his garage from carbon monoxide gas. The plaintiff, who was defrauded out of \$1,000 by Habegger through a fraudulent mortgage, claimed the Maryland Casualty was responsible for the actions of Habegger because he gained her confidence by being a notary public.

Persons Were Fictitious

The plaintiff was in the habit of investing money in real estate mortgages and Habegger was acting for her in the matter of placing loans on such security. Some time prior to June 4, 1921, he called at her home and represented that a certain man and his wife desired to obtain a loan of \$1,000 upon the security of a real estate mortgage, and that if she had the money he would recommend the loan. She agreed to make the loan. Later he delivered the mortgage to her, purporting to have been executed by the man and his wife and acknowledged before him as notary public. The mortgage was spurious and the persons were fictitious it was learned after Habegger's death. Mrs. Mlekus then brought suit against the Maryland

Casualty as surety on the notarial bond of Habegger to recover damages which she sustained.

The supreme court stated that the Wisconsin statutes require every notary public to execute and file a bond in the sum of \$500 and that if any notary public shall be guilty of any misconduct or neglect of duty in office he shall be liable to the party injured for all the damages thereby sustained. The court held that Habegger had committed an act of official malfeasance in his office as notary public in this matter, but that the damages which may be recovered must be the proximate result of the false certificate.

Testified to Signatures

"The plaintiff contends that her loss was the proximate result of false certificate," said the court. "The rule is well established both upon reason and authority, that in such cases the measure of damages is the value of the property or interest in the property mortgaged. In this case there was no property mortgaged and the mortgage would have been of no value whatever no matter whether the certificate was false or genuine. Of course the plaintiff lost her money through the fraud of Habegger but we must carefully distinguish between Habegger the individual, and Habegger the official. In his official capacity as notary public he did no more than to attach the false certificate of acknowledgment to the mortgage. The function of this certificate is to convey assurance that the mortgage is signed by those by whom it is purported to be signed."

Nebraska Road Bond Business

LINCOLN, NEB., April 13.—Bond men are looking forward to doing a lively business the latter part of the month when the state highway department, acting in conjunction with the federal government, will award \$3,000,000 of new road construction contracts. The threat of the contractors two years ago to organize a company of their own was

never carried out, although legislative approval was given to such a corporation. The award this year will be the largest in the history of the state and represents 40 percent of what is expected to be expended in the two years beginning July 1. The bids call for the construction of 416 miles of grading, 917 miles of gravel surfacing and 64 bridges. Of the 917 miles of gravel, 785 miles is new work and 132 miles second course of gravel surfacing. This will call for a great deal of sub-contracting, with correspondingly multiplied numbers of bonds.

Company Not Liable

LINCOLN, NEB., April 13.—A supreme court decision has relieved the Fidelity & Deposit of any liability on the bond of Sheriff T. J. Roberts of David City, sued for \$5,000 damages by James C. Gibson, who claimed that he had been slandered by the sheriff and had been falsely imprisoned. Gibson had pleaded guilty to a violation of the prohibition law and had been paroled. He claimed to have been rearrested by the sheriff without a proper court order and incarcerated in jail for a time. The supreme court held that slander could not be joined in a false imprisonment suit, that the parole had been revoked by the court that granted it and that the sheriff was armed with a lawful mittimus when he jailed him.

Wisconsin Surety Bills

MADISON, WIS., April 12.—Two bills interesting the surety business have been introduced in the Wisconsin assembly. Bill 530-A relates to the bonds of treasurers of towns, cities and villages, and provides that treasurers file officials bonds, said bonds to be furnished by a surety company. It also calls for the treasurer, comptroller, justices of the peace and police chiefs of cities to file bonds with two or more sureties, bonds of the treasurer to be furnished by a surety company.

The other bill, 534-A, relates to the establishment of a bank depositors' guaranty fund. Every corporation engaged in the banking business would be subject to assessment of 1/20 of 1 percent of the average daily deposits until 1 1/2 percent of the average daily deposits shall be set up.



Club House

Administration Building

Power Plant Print Shop Garage

Agents and the Public—

As long as there are Agents who do not represent this Company,—and Prospects who do not have its policies and bonds, the Maryland will continue to plan and work for further accessions.

Maryland Casualty Company
Baltimore

Various Casualty Lines

Diversified Bonding Business

Casualty Insurance Written in 1926

(Compiled from the Argus Casualty Chart, 1927)

	Total	Acci. & Health	Auto. & Other Liab.	Fidelity & Surety	Plate Glass	Burglary & Theft	Prop. Dam. & Col.	Work. Comp.
	Net Prem. Written	Losses Incurred	Prem. Written	Losses Paid	Prem. Written	Losses Paid	Prem. Written	Losses Paid
Aetna Cas. & Sur.	\$17,335,620	\$ 8,740,532	\$ 182,549	\$ 122,725	\$3,037,286	\$1,392,660	\$5,293,403	\$1,336,108
Aetna Life	31,870,010	21,791,139	6,957,089	4,007,126	7,343,128	3,567,751	.....	.....
Amer. Casualty	1,442,276	682,525	296,751	122,709	595,215	229,044	.....	.....
Amer. Employers	1,860,304	1,118,420	138,638	90,625	559,678	203,028	370,390	68,423
Amer. Fidelity	175,128	77,035	.....	.....	92,870	24,532	27,925	5,257
Amer. Guaranty, Ohio	377,403	112,069	.....	.....	93,707	47,352	59,926	23,654
Amer. Indemnity	360,679	168,029	.....	.....	39,217	34,251	113,429	79,918
Amer. Liability	223,911	97,850	53,517	20,119	170,064	95,157	.....	.....
Amer. Reinsurance	938,494	488,566	44,739	38,394	666,555	135,500	14	.....
Amer. Surety	9,340,180	3,207,178	.....	.....	8,410,240	2,590,095	.....	.....
Assoc. Industries	1,003,275	624,193	.....	.....	38,896	18,187	.....	.....
Bankers Indem.	229,149	48,701	2,420	.....	119,698	7,746	.....	.....
Centr. Sur. & Ins.	600,051	91,872	.....	.....	222,040	14,907	10,494	.....
Centr. West Cas.	1,714,555	1,118,995	64,102	28,890	702,978	406,305	.....	.....
Century Indem.	108,008	24,706	1,265	.....	46,703	4,482	9,667	.....
Columbia Cas.	5,954,862	3,843,586	127,078	72,801	2,423,057	1,422,192	421,594	128,902
Commercial Cas.	10,592,290	6,361,613	2,003,703	1,013,341	3,841,524	2,378,626	379,511	151,758
Comm'l Standard	247,709	154,958	.....	.....	21,211	6,242	12,091	.....
Commonwealth Cas.	1,928,247	1,023,238	441,520	136,343	1,095,845	638,704	.....	.....
Constitution Indem.	53,007	7,295	13,052	1,778	14,903	1,008	8,382	567
Continental Cas.	13,306,750	7,122,225	7,120,014	3,180,785	2,452,550	1,284,847	659,911	199,839
Detroit Fld. & Sur.	1,399,931	439,265	.....	.....	1,399,931	375,732	.....	.....
Engle Indem.	2,900,582	1,829,893	86,935	39,928	1,013,518	493,952	208,169	141,754
Emps. Cas. Tex.	57,737	345,052	.....	.....	304,123	135,595	5,934	3,789
Emps. Indem., Mo.	3,937,351	2,185,589	617,344	310,398	1,629,215	535,820	166,368	291,755
Employers Liab.	24,505,525	14,083,651	598,577	339,486	8,561,232	4,626,292	276,979	94,569
Eureka Cas.	606,051	345,948	60	.....	217,058	115,703	136,137	4,341
European Genl.	6,007,857	.....	1,882,151	992,118	906,094	264,084	1,135,868	506,953
Federal Sur. Ia.	1,600,022	675,433	152,252	67,192	333,204	73,087	475,431	287,684
Fidelity & Casualty	24,131,078	13,648,472	2,553,636	1,680,084	8,489,345	4,463,600	2,789,302	1,375,729
Fidelity & Deposit	12,692,177	4,757,049	.....	.....	322,163	189,652	1,711	1,261
Fidelity Union Cas.	1,250,915	718,096	.....	.....	322,163	189,652	1,711	1,261
First Reins. Conn.	715,872	406,413	748,043	239,339	.....	.....	.....	.....
Gen'l. Accident	15,599,249	9,637,824	1,373,462	708,049	6,009,380	3,248,279	.....	.....
Gen'l. Cas. of Amer.	495,905	213,315	.....	.....	320,098	84,321	12,713	6,117
Gen'l. Cas. & Sur.	1,124,714	647,562	.....	.....	302,620	208,006	144,557	114,019
Gen'l. Reins. Corp.	5,168,553	3,573,796	529,531	248,654	1,020,972	306,425	1,309,888	425,644
Georgia Cas.	2,840,683	2,176,834	.....	.....	1,475,888	1,272,893	.....	.....
Globe Indem.	21,581,943	12,251,930	562,810	284,544	7,406,712	3,122,084	2,982,200	1,200,236
Great Amer. Cas.	585,170	257,901	533,321	246,567	.....	.....	.....	.....
Great Amer. Indem.	476,617	65,276	8,826	715	215,896	7,608	25,336	493
Guarantee of N. A.	1,103,323	119,835	.....	.....	801,809	371,321	261,320	52,904
Hartford Acc. & Indem.	26,317,901	15,695,355	999,174	563,517	9,133,963	4,442,487	3,664,509	1,005,170
Hawkeye Cas.	133,958	41,131	.....	.....	86,104	25,915	.....	.....
Hosier Cas.	456,055	198,406	291,238	129,284	164,817	63,795	.....	.....
Hudson Cas.	467,031	386,916	.....	.....	315,801	185,115	.....	.....
Indemnity of N. A.	1,116,679	652,927	464,598	211,643	4,853,401	2,212,733	1,768,973	585,447
Independence Indem.	8,415,476	6,107,215	191,720	113,200	3,204,643	1,443,179	1,106,697	411,510
Indiana Ins. Co.	177,091	77,583	.....	.....	37,333	12,234	.....	.....
International Fidelity	138,068	35,068	.....	.....	.....	.....	139,056	18,105
International Indem.	2,684,190	1,443,669	19,812	3,055	801,809	371,321	261,320	52,904
Liberty, Ohio	737,162	325,597	.....	.....	378,483	183,991	.....	.....
London Guar. & Acc.	11,653,513	7,696,667	284,749	149,510	3,759,235	2,501,120	65,094	159,301
London & Lancashire	2,989,514	1,491,228	71,500	27,451	1,408,464	720,964	317,654	125,904
Manufacturers Cas. Pa.	762,192	528,265	.....	.....	298,519	135,439	.....	.....
Manufacturers Liab., N. J.	1,906,329	1,489,089	13,426	8,855	989,105	765,656	.....	.....
Maryland Cas.	30,011,702	17,958,112	1,009,489	826,229	8,958,242	4,894,827	5,054,183	1,726,727
Massachusetts Bonding	8,338,921	4,367,767	2,524,095	1,321,546	2,186,250	1,168,011	1,564,484	619,354
Metropolitan Cas.	10,334,277	5,719,433	135,099	63,386	2,970,432	1,108,843	2,380,251	640,869
Michigan Emps. Cas.	214,220	99,841	4,157	1,597	76,245	21,425	.....	.....
Michigan Sur.	164,219	25,407	.....	.....	.....	4,106	164,219	6,927
National Sur.	17,309,038	7,034,664	.....	.....	14,483,726	5,378,284	.....	.....
Natl. Union Indem.	859,699	327,312	.....	.....	530,503	86,052	.....	.....
New Amsterdam Cas.	13,227,657	7,875,284	492,012	195,187	4,607,451	2,343,494	2,745,252	1,026,687
N. J. Fld. & Pl. Gl.	2,620,216	1,189,483	.....	.....	904,546	446,653	261,179	49,852
N. J. Mfrs. Cas.	2,261,414	1,229,098	.....	.....	402,300	131,497	.....	.....
New York Cas.	1,834,931	743,478	.....	.....	261,608	79,274	83,577	7,403
New York Indem.	5,548,753	4,078,457	.....	.....	2,008,387	1,356,084	590,768	102,574
Northwestern Cas. & Sur.	749,531	338,073	14,021	830	345,422	326,094	108,874	21,865
Norwich Union	3,183,400	1,852,046	123,734	50,722	1,340,763	576,667	.....	.....
Ocean Acci. & Guar.	16,365,172	10,457,816	690,930	351,045	6,129,564	3,497,902	378,618	138,456
Ohio Casualty	1,501,820	698,707	.....	.....	1,269,500	525,404	114,932	2,303
Oregon Sur. & Cas.	203,618	109,172	8,706	4,138	89,697	52,372	11,425	25,896
Pacific Emps.	889,311	579,985	.....	.....	.....	.....	.....	.....
Pacific Indem.	1,501,664	373,115	.....	.....	199,739	10,509	262,308	1,257
Pa. Mfrs. Assn.	4,008,625	2,591,081	.....	.....	768,970	460,203	.....	.....
Phoenix Indem.	2,478,931	1,328,894	25,215	16,940	1,547,501	645,382	.....	.....
Preferred Acc.	2,717,722	1,116,928	1,302,000	614,878	2,135,170	1,053,803	580,331	293,147
Republic Cas.	2,318,232	2,323,349	20,578	11,034	860,133	610,183	58,241	115,865
Royal Indem.	15,001,135	9,426,883	586,187	486,427	4,065,223	2,788,101	2,362,241	1,033,592
St. Paul-Mercury Indem.	104,150	31,019	.....	.....	87,812	7,960	.....	.....
Security of Cal.	462,301	593,542	.....	.....	120,557	147,804	.....	.....
Security Union	771,194	504,351	.....	.....	115,206	56,891	242	.....
Southern Cas.	920,477	713,148	.....	.....	137,637	127,821	.....	.....
Southern Sur.	8,851,584	4,801,423	1,540,351	704,148	978,357	562,381	3,729,159	1,455,944
Standard Acci.	16,895,511	10,592,956	2,119,931	1,429,895	5,745,847	3,063,413	2,031,904	496,460
Sur. Indem.	1,861,913	1,116,928	.....	.....	904,061	486,357	234,309	75,505
Travelers Indem.	12,837,312	7,566,450	230,431	100,362	426,233	147,985	.....	.....
Travelers	59,121,644	36,628,859	14,043,554	7,029,692	21,677,291	10,042,160	10,001,507	3,241,247
Union Auto.	2,132,733	1,279,636	.....	.....	764,149	499,106	.....	.....
Union Indem.	9,200,524	5,317,671	817,900	451,356	2,820,052	1,202,167	1,808,632	659,349
United States Cas.	8,487,438	5,827,960	1,064,456	686,948	3,530,912	1,861,039	.....	.....
U. S. Fld. & Guar.	27,583,191	22,722,581	1,193,733	732,296	10,788,539	6,096,724	10,001,507	3,241,247
United States Guar.	1,471,723	630,627	.....	.....	518,999	193,055	628,917	120,713
West. Amer. Cas.	55,533	23,869	.....	.....	47,779	6,904	.....	.....
Western Cas.	635,837	603,187	.....	.....	82,817	38,597	.....	.....
Western Sur.	306,404	224,606	.....	.....	70,506	22,650	66,170	18,866
Zurich Gen. Acc. & Liab.	12,447,351	8,480,090	238,479	100,028	5,533,567	3,379,601	.....	.....

*Represents losses paid.

Other Lines Written in 1926 by Stock Casualty Companies

STEAM BOILER			Losses			Premia			Losses			CREDIT			
	Premia	Written		Written	Paid		Written	Paid		Written	Paid		Premia	Written	Losses
Aetna Cas. & Sur...	\$	30,905	Ocean Acci. & Guar..	290,840	45,071				Globe Indem.	67	.....			
Amer. Casualty	2,856	.....	Ohio Casualty	4,887	.....				Hartf'd Acc. & Indem.	—200	.....	London Guar.	\$	761,758	\$188,861
Amer. Employers	14,288	239	Pacific Indem.	6,407	.....				Hartford S'tm Boiler.	1,992,342	400,510	Nat'l Surety		1,084,225	414,603
Amer. Reinsurance	2,950	.....	Republic Cas.	11,290	2,267				Indemnity of N. A. . .	60,757	28,107	New Amsterdam Cas.		1,882	.....
Columbia Cas.	62,187	11,984	Royal Indem.	198,517	24,598				Independence Indem. .	38,859	3,743	Ocean Acci.		457,406	117,732
Continental Cas.	39,596	7,916	Southern Sur.	5,197	290				London Guar. & Acci..	86,715	37,572	Southern Sur.		261,120	156,744
Eagle Indem.	18,471	4,301	Travelers Indem.	880,902	161,844				Maryland Cas.	191,164	47,202				
Employers Liab.	241,033	55,488	ENGINE & MACHINERY												
European Gen'l.	88,868	.....	Aetna Cas. & Sur...\$	119,424	\$ 42,467				Ocean Acci. & Guar..	290,034	78,438	LIVE STOCK			
Fidelity & Casualty..	536,207	116,917	Amer. Employers ..	23,255	115				Republic Cas.	810	1,057		Premia	Written	Losses
Gen'l Accident	42,929	7,432	Amer. Reinsurance ..	3,223	.....				Royal Indem.	134,704	30,070	Hartford Acci.		145,137	\$125,368
Gen'l Reins. Corp....	13,691	—42	Columbia Cas.	140,539	52,690				Travelers Indem.	147,397	58,515	Hartford L. C.		954,653	*704,711
Globe Indem.	—134	814	Continental Cas.	232	6,523				*Losses incurred.						
Hartf'd Acc. & Indem.	—26	.....	Eagle Indem.	14,012	3,448				SPRINKLER						
Hartford S'tm Boiler.	3,221,241	352,884	Emp'rs Liab.	226,534	29,798				Aetna Cas.	\$ 678,848	\$313,999	CHECK FORGERY			
Indemnity of N. A. . .	91,813	10,161	European Gen'l.	75,146	6,918				Maryland Cas.	\$23,222	122,856		Premia	Written	Losses
Independence Indem. .	43,173	11,719	Fidelity & Casualty..	145,918	29,161				Metropolitan Cas.	46,498	30,233	Standard Acci.	\$	22,723	\$ 3,269
London Guar. & Acci..	145,526	39,852	Gen'l Reins. Corp....	2,782	251				U. S. F. & G.	—5,292	23,914				
Maryland Cas.	607,198	74,922													

Premiums and Losses in 1926 in WISCONSIN on All Classes of Casualty Business

	Total		Auto. Liab.		Other Liab.		Work. Comp.		Fidelity-Surety		Plate Glass		Burglary-Theft		Prop. D. & Col.	
	Prem's.	Losses	Prem's.	Losses	Prem's.	Losses	Prem's.	Losses	Prem's.	Losses	Prem's.	Losses	Prem's.	Losses	Prem's.	Losses
Aetna Cas	310,736	146,146	79,561	55,461	1,875	861	195,490	120,285	87,752	2,129	17,255	5,149	31,919	10,736	82,029	66,531
Aetna Life	505,111	312,749	140,444	63,829	43,943	12,342	195,490	120,285	87,752	2,129	17,255	5,149	31,919	10,736	82,029	66,531
Amer. Lito.	322,803	151,449	140,444	63,829	43,943	12,342	195,490	120,285	87,752	2,129	17,255	5,149	31,919	10,736	82,029	66,531
Amer. Employers	86,617	34,774	23,319	7,672	4,282	447	33,893	11,307	663	364	86	3,201	9	14,303	7,097	2,848
Amer. Mut. Liab.	155,452	113,571	4,572	771	3,449	90	144,584	111,420	663	364	86	3,201	9	14,303	7,097	2,848
Amer. Surety	163,225	37,933	23,319	7,672	4,282	447	33,893	11,307	663	364	86	3,201	9	14,303	7,097	2,848
Auto. Mut.	6,086	3,759	3,168	1,108	1,108	1,108	6,086	3,759	3,168	1,108	1,108	1,108	3,168	1,108	1,108	1,108
Bankers Mut. Cas.	29,753	12,339	3,168	1,108	1,108	1,108	29,753	12,339	3,168	1,108	1,108	1,108	3,168	1,108	1,108	1,108
Bldg. Mut. Cas.	425,000	143,419	22,983	1,768	25,718	464	330,975	120,377	19,100	5,639	10,653	6,700	10,653	6,700	22,023	5,419
Bldg. Cont. Mut.	30,687	26,224	3,168	1,108	1,108	1,108	30,687	26,224	3,168	1,108	1,108	1,108	3,168	1,108	1,108	1,108
Cas. & General	4,921	469	2,992	1,108	1,108	1,108	4,921	469	2,992	1,108	1,108	1,108	2,992	1,108	1,108	1,108
Cas. Recip. Exch.	1,169	265	246	1,108	1,108	1,108	1,169	265	246	1,108	1,108	1,108	246	1,108	1,108	1,108
Chicago Ice Prod.	3,231	4,303	1,108	1,108	1,108	1,108	3,231	4,303	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108
Columbia Cas.	106,519	68,485	31,711	35,108	7,815	3,553	25,561	16,525	9,097	1,216	2,287	914	3,787	180	16,885	11,846
Commercial Cas.	131,398	51,529	41,416	3,910	5,902	447	44,847	24,925	5,993	1,526	337	3,452	549	21,808	8,647	17,253
Continental Cas.	390,472	129,591	86,946	31,069	13,174	1,256	69,978	24,918	10,059	201	9,156	3,087	10,950	1,197	39,873	17,253
Detroit Fid. & Sur.	18,682	54,393	15,551	13,270	2,891	1,528	11,650	3,780	4,552	3,370	737	2,549	340	8,399	3,812	17,150
Eagle Indem.	54,393	103,657	49,107	26,880	4,868	210	8,446	5,719	163	4,046	2,151	1,195	91	17,150	10,046	24,340
Employers Indem.	103,657	51,636	49,107	26,880	4,868	210	8,446	5,719	163	4,046	2,151	1,195	91	17,150	10,046	24,340
Employers Liab.	223,814	92,819	44,002	11,017	18,017	3,257	106,426	53,836	3,476	—619	5,186	1,093	6,820	249	24,340	11,487
Empl. Mut. Indem.	193,547	32,877	76,902	10,451	47,013	1,799	2,406,594	1,302,324	70,248	15,567	18,051	4,796	30,051	8,984	21,905	2,955
Empl. Mut. Liab.	2,406,594	1,302,324	21,112	3,883	34,541	9,298	147,057	89,326	70,248	15,567	18,051	4,796	30,051	8,984	82,737	41,200
Federal Mut. Auto.	53,594	9,938	21,112	3,883	34,541	9,298	147,057	89,326	70,248	15,567	18,051	4,796	30,051	8,984	21,905	2,955
Fidelity & Cas.	705,635	323,558	148,267	81,610	34,541	9,298	147,057	89,326	70,248	15,567	18,051	4,796	30,051	8,984	82,737	41,200
Fidelity & Dep.	252,495	38,694	148,267	81,610	34,541	9,298	147,057	89,326	70,248	15,567	18,051	4,796	30,051	8,984	82,737	41,200
General Accel.	557,215	328,432	212,143	91,441	30,466	10,442	188,489	100,459	234,682	37,992	2,075	614	7,230	703	90,939	52,332
General, Wis.	39,252	12,368	449	200	200	200	39,252	12,368	449	200	200	200	449	200	200	200
General Cas., Wis.	189,705	54,363	95,593	29,068	3,284	1,177	189,705	54,363	95,593	29,068	3,284	1,177	189,705	54,363	95,593	29,068
Georgia Cas.	67,387	37,459	44,578	18,614	7,212	431	74,552	43,034	3,233	627	473	15,692	4,652	22,938	11,690	11,794
Globe Indem.	218,957	100,801	44,578	18,614	7,212	431	74,552	43,034	3,233	627	473	15,692	4,652	22,938	11,690	11,794
Great Amer. Cas.	45,879	24,614	22	22	22	22	45,879	24,614	22	22	22	22	22	22	22	22
Great Amer. Indem.	43	43	22	22	22	22	43	43	22	22	22	22	22	22	22	22
Hdw. Mu. Cas., Wis.	576,270	181,890	183,907	31,474	9,658	411	167,331	73,687	15	15	15	15	15	15	110,023	40,195
Hartford Acc.	475,538	191,772	117,399	55,278	34,185	7,274	177,690	83,840	41,970	9,405	23,891	5,744	1,207	19,123	2,982	59,955
Indem. of No. Am.	186,521	71,835	38,610	18,779	14,311	1,375	74,223	23,845	23,143	10,059	3,400	652	4,696	75	18,071	8,838
Independence Ind.	176,049	82,330	13,105	4,614	12,052	305	114,308	51,766	—263	10,199	906	82	2,579	103	10,328	4,325
Indiana Lib. Mut.	48,000	17,271	6,289	235	1,513	17	36,120	15,378	785	10	31,782	11,263	3,707	11,263	3,707	11,263
Inter-St. Ex., Wis.	435,366	186,030	184,044	85,497	1,514	1,272	49,086	26,866	2,097	2,097	2,097	2,097	2,097	2,097	2,097	2,097
Liberty Mut., Mass.	61,137	28,395	3,331	7	1,514	1,272	49,086	26,866	2,097	2,097	2,097	2,097	2,097	2,097	2,097	2,097
Lloyds Plate Glass.	25,123	6,238	83,060	35,767	67,013	1,131	146,146	80,843	25,123	6,238	83,060	35,767	67,013	1,131	146,146	80,843
London Guar.	359,149	145,485	83,060	35,767	67,013	1,131	146,146	80,843	4,314	1,250	8,000	1,225	8,000	1,225	8,000	1,225
London & Lanc.	13,417	4,223	5,898	1,028	376	77	971	663	823	—7,786	1,807	487	816	61	2,455	1,375
Lumb. Mu. Cas., Ill.	136,362	74,783	37,446	9,356	1,905	477	70,699	52,321	1,162	1,534	889	127	468	61	23,732	11,909
Marshfield M. & G.	361	321	321	321	321	321	361	321	361	321	361	321	361	321	361	321
Maryland Cas.	644,438	228,858	106,264	50,208	29,585	21,802	137,219	77,176	99,687	12,168	14,992	3,483	46,263	5,633	57,120	20,483
Mass. Bonding	281,858	65,099	84,269	26,750	6,701	1,855	4,737	499	72,024	3,362	3,917	15,494	1,799	44,985	13,742	13,742
Master Plumb.	73,181	15,051	15,051	15,051	15,051	15,051	73,181	15,051	15,051	15,051	15,051	15,051	15,051	15,051	15,051	15,051
Medical Protect.	45,316	22,496	45,316	22,496	45,316	22,496	45,316	22,496	45,316	22,496	45,316	22,496	45,316	22,496	45,316	22,496
Metropolitan Cas.	78,500	23,373	24,291	4,285	2,137	644	16,376	12,249	11,045	2,792	13,095	2,792	13,095	2,792	13,095	2,792
Milwaukee Au. Mut.	287,063	89,841	137,409	39,639	439	439	287,063	89,841	137,409	39,639	439	439	287,063	89,841	137,409	39,639
Mu. Au. Herm., Wis.	9,462	1,256	4,350	439	439	439	9,462	1,256	4,350	439	439	439	9,462	1,256	4,350	439
National Sur.	164,323	54,619	1,475	3	3	248	27,063	19,607	34,606	—3,494	1,264	112	3,211	35	39,521	16,193
Nat. Union Indem.	2,349	94,431	93,655	61,249	6,188	248	27,063	19,607	34,606	—3,494	1,264	112	3,211	35	39,521	16,193
New Amsterdam	207,188	94,431	93,655	61,249	6,188	248	27,063	19,607	34,606	—3,494	1,264	112	3,211	35	39,521	16,193
N. J. Fid. & P. G.	41,183	4,715	1,874	1,210	379	250	41,183	4,715	1,874	1,210	379	250	41,183	4,715	1,874	1,210
N. Y. Cas.	26,098	6,691	9,200	558	—9	—9	26,098	6,691	9,200	558	—9	—9	26,098	6,691	9,200	558
N. Y. Indem.	127,542	22,606	47,167	6,318	5,916	248	23,277	7,954	8,003	110	10,987	3,581	5,227	36	17,724	6,983
N. W. Cas. & Sur.	211,474	101,598	53,050	18,562	20,5											

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Premiums and Losses in 1926 in IOWA on All Classes of Casualty Business

[illegible]

*Total of all casualty business including classes shown below. Company totals above include other classes shown in groups below

Companies Writing Other Classes of Casualty Business in IOWA

ACCIDENT & HEALTH			Premys.		Losses		Premys.		Losses		Premys.		Losses	
Abraham Lincoln...\$	18,883	\$	Losses	Federal Sur.	38,026	14,601	Mass. Protect.....	10,580	6,181	Repub. Mut. Cas....	3,318	292		
Aetna Cas.	7,822		Fidelity & Cas.	27,782	11,827	Metropolitan Cas.	514		Ridgely Protect.	59,406	37,283			
Aetna Life	30		Fire & Reins.	7,999	2,438	Metropolitan Life....	54,814	24,376	Royal Indem.	3,972	2,458			
Aetna Life	117,561	51,214	General Acci.	5,775	4,135	Midwest Life	47,982	24,626	Southern Sur.	174,850	83,190			
Amer. Bankers	33,130	17,404	General Reins.	4,190	11,390	Mo. State Life	23,064	59,938	Standard Acci.	10,078	7,047			
Amer. Cas.	17		Globe Indem.	1,303	394	Monarch Acci.	755	5,014	Sun Indem.	1,037	23,589			
Amer. Employers....	2,482	63	Great Amer. Cas.	13,744	9,879	Mut. Ben. H. & A.	460,656	273,906	Travelers	373,930	5,481			
Ben. Assn. Ry. Emp.	109,455	47,762	Gr. Northern Life....	46,494	26,714	National Cas.	9,045	3,800	Travelers Indem.	5,847	8,893			
Bus. Men's Assur.	60,888	34,066	Great Western	307,550	115,195	Nat. Life, U. S. A.	2,400	1,254	Travelers Indem.	8,834	1,989			
Chas. West Cas.	1,447	111	Har. Tr. Acci.	4,183	1,162	Nat. Ry. Life.			Union Auto., Cal.	2,092	356			
Columbia Cas.	89		Indem. of No. Am.	82		New Travelers Cas.	133,051	68,570	Union Indem.	136,671	59,680			
Columb. Nat. Life.	1,364	489	Independence Indem.	151	160	New Amsterdam	1,402	3,641	Union Mut. Cas.	5,560	11,724			
Continental Cas.	96,638	37,436	International Indem.		82,070	No. Amer. Acci.	53,818	19,734	U. S. Cas.	6,702	46,475			
Continental Life, Mo.	22,626	8,045	Inter-St. Bus. Men's		1,838	N. W. Cas. & Sur.	15		U. S. F. & G.	57,992	1,965			
Eagle Indem.	616	32	Iowa Mut. Liab.	4,509	64,999	Ocean Acci.	1,569	393	Wash. Fidelity Nat.	83,097	258			
Employers Indem.	20,125	8,671	La. St. Trav. Men's.		3,795	Old Line Life, Wis.	399	83	Woodmen Acci.	1,965				
Employers Liab.	5,926	3,409	London Guar.	6,068		Pacific Mutual	56,951	24,478						
Equitable Life	14,103	10,796	London & Lanc.	40		Phoenix Indem.	50,044	27,790						
Europ. Gen. Reins.	3,952	964	Loyal Protect.	49,734	6,965	Preferred Acci.	7,147	1,807	Total 1926	\$3,206,882	\$1,887,852			
Federal Cas.	390,473	197,054	Maryland Cas.	55,138	25,980	Provident L. & A.	3,050	1,160	Total 1925	3,433,900	1,688,213			
Federal Life, Ill.			Mass. Bonding.			Reliance Life								

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NON-CANCELLABLE H. & A.

	Premiums	Losses
Aetna Life	286
Columb. Nat. Life..	397
Continental Assur..	273
Continental Cas. ...	16,703	\$ 1,738
Employers Indem. ...	1,420	.....
Equit. Life, N. Y. ...	15,862	11,930
Europ. Gen. Reins. ...	1,492	16,109
General Reins.	420	.....
Gr. Northern Life...	77	.....
Great Western	2,011	448
Mass. Protect.	200,200	109,314
Metropolitan Life...	433	171
Monarch Accl.	14,061	4,934
Pacific Mutual	64,238	21,963
	Premiums	Losses
Southern Sur.	1,337	.....
Travelers	2,558	404
Total 1926	\$ 322,118	\$ 167,011
Total 1925	259,344	142,362

STEAM BOILER

	Premiums	Losses
Aetna Cas.	1,383	.....
Amer. Employers...	220	.....
Columbia Cas.	76	.....
Continental Cas. ...	747	\$ 242
Eagle Indem.	406	.....
Employers Liab.	994	.....
Europ. Gen. Reins. ...	1,148	.....
Fidelity & Cas.	16,098	1,822
General Accl.	675	.....
General Reins.	56	.....
Hartford St. B.	43,542	7,291
Indem. of No. Am. ...	131	.....
Independence Indem. ...	—20	.....
London Guar.	5,569	1,022
Maryland Cas.	4,941	425
N. Y. Indem.	4,116	.....
Ocean Accl.	2,031	.....
Royal Indem.	3,009	289
Southern Sur.	1,466	.....
Travelers Indem.	6,393	466
U. S. F. & G.	768	.....
Total 1926	\$ 93,749	\$ 11,557
Total 1925	93,704	9,090

ENGINE & FLY WHEEL

	Premiums	Losses
Aetna Cas.	4,448	\$ 172
Continental Cas.	112	.....
Eagle Indem.	936	57
Employers Liab.	72	.....
Europ. Gen. Reins. ...	387	.....
Fidelity & Cas.	402	.....
General Reins.	55	.....
Hartford St. B.	29,157	1,909
Independence Indem. ...	517	.....
London Guar.	12,188	—572
Maryland Cas.	1,342	.....
N. Y. Indem.	—74	.....
Ocean Accl.	1,081	.....
Royal Indem.	28	.....
Travelers Indem. ...	—310	300
Total 1926	\$ 50,341	\$ 1,866
Total 1925	63,795	5,357

SPRINKLER

	Premiums	Losses
Aetna Cas.	1,078	\$ 4,000
Maryland Cas.	1,337	75
U. S. F. & G.	32	.....
Total 1926	\$ 3,347	\$ 4,075
Total 1925	5,791	2,300

CREDIT

	Premiums	Losses
Amer. Credit Indem. \$	17,594	\$ 3,170
National Sur. ....	.....	7,094
Southern Sur.	22,640	7,034

Total 1926	\$ 40,234	\$ 17,298
Total 1925	29,560	2,658

LIVE STOCK

	Premiums	Losses
Hartford L. S.	6,158	\$ 7,933
Total 1925	13,794	8,015

TITLE

	Premiums	Losses
Southern Sur.	2,994	.....
Total 1925	2,206	.....

CHECK FORGERY

	Premiums	Losses
Standard Accl.	325	\$ 35
Total	267	163

Michigan Drive Successful

LANSING, MICH., April 13—Michigan agents expect to show a tremendous increase in production of auto liability business in the next few months, much of which will be attributable to the big three-state drive. The series of agents' rallies held in the principal cities of this state undoubtedly quickened interest in auto business and gave the agents new ideas as to how it may be acquired. Co-operation given the Casualty Information Clearing House by the Michigan Association of Insurance Agents is considered a big factor in the success of the meetings. The Michigan association shifted its entire regional meeting program in order that the sessions might be held with those planned by the company organization.

Massachusetts Mutual Chartered

BOSTON, April 13—The Massachusetts Mutual Liability of Quincy has been chartered to write automobile liability, property damage and collision insurance. The officers are: President and treasurer, Alfred S. Labrecque, state representative from Quincy; vice-president, Wells G. Ruggles; secretary, Margaret M. Ferguson. It is said that the company will not attempt to start business prior to Jan. 1, 1928.

PERSONAL GLIMPSES
OF CASUALTY MEN

President Edson S. Lott of the United States Casualty is making a trip through the south and will not be back for two or three weeks.

Austin J. Lilly, general counsel of the Maryland Casualty, suffered from a nervous breakdown and is recuperating at a sanitarium. He was taken ill with grippe the day before the last hearing on the compulsory automobile liability bill before the Maryland general assembly. He has given much time to combating these measures in various legislatures.

Charles M. Wright of Washington, D. C., who is head of the commercial accident and health department for Johnson & Adams, managers of the Continental Casualty, was called to the home office in Chicago last week and entertained for two or three days in honor of his record in accident business he produced last year. Mr. Wright has been connected with Johnson & Adams for some 11 years. He has specialized on accident and health and has built up a large business in the District of Columbia. It is said that the Continental Casualty writes more commercial accident and health in the district than any other company.

Fred M. Blount, resident vice-president of the Massachusetts Bonding in Chicago, is slowly recovering from an illness that has confined him to his home since last December. His many friends are hoping for his early return to his desk.

George L. Radcliffe, president of the American Bonding of Baltimore, has been selected by former Governor Frank O. Lowden of Illinois as a member of the committee to study the subject of pardons, paroles and treatment of the criminal in penal institutions. This committee operates under the auspices of the national crime commission. Mr. Radcliffe, in addition to his insurance connection, is treasurer of the Walter Hines Page School of International Relations, and a lecturer at John Hopkins University.

William B. Mann, superintendent of agencies of the Ocean Accident & Guarantee, recently assisted in conferring the third degree in Masonry on his son, Horace K. Mann, on the same day that he himself celebrated the 30th anniversary of his taking the third degree. Horace K. Mann is associated with Marsh & McLennan.

John L. Mee of New York, vice-president and agency superintendent of the National Surety, who has been desperately ill with pneumonia, has so far recovered from his serious state as to be slated for an operation this week for abscess of the lung. It is found necessary to drain off the infected area.

No Minnesota Compulsory Law

ST. PAUL, April 13—Compulsory automobile insurance in Minnesota has been passed up for two years at least. A bill providing for it has been ordered returned to its authors by the house, acting on recommendation of the committee on motor vehicles. At one time this measure rallied considerable support but the state administration was against it from the start.

Albert J. Lochte Promoted

Albert J. Lochte has been promoted to field supervisor of the Syracuse, N. Y., branch of the United States Fidelity & Guaranty from the position of special agent for the company in northern New Jersey. Mr. Lochte spent several years in the company's home office, whence he graduated to the field position in New Jersey.

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STATE 5878 — PHONES — DEARBORN 0622

INTRODUCE COMPULSORY PROPOSAL IN MICHIGAN

LANSING, MICH., April 13.—Senator James Quinlan's bill to establish compulsory automobile insurance in Michigan has finally appeared. The measure, which is said to have been drafted with the aid of more legal talent than any other bill presented at this session, appears to take into consideration every angle of the situation. But its appearance so late in the session is liable to prove its doom, according to capitol observers, despite the fact that the bill's sponsor appears to have arranged to get his measure referred to a committee from which he could reasonably expect early action. The bill went to the highways committee.

Insurance is the first alternative allowed the motorist in the Quinlan bill. Under this plan, each owner would be obliged to provide \$1,000 property damage insurance and \$10,000 maximum personal injury and death claims. Not more than \$5,000 would be paid for the death of any one person under the policy. Posting of a surety bond for \$11,000, running to the state and to be forfeited to the extent of any judgment in behalf of the injured party, is the second alternative in the measure. The third, or exemption, alternative, provides that any car owners, possessed of sufficient easily convertible assets to meet judgments in the same amount as set in the insurance alternatives, might avoid purchasing insurance or furnishing bonds by filing with the secretary of state a sworn statement of his resources available to fulfill any possible judgment. In this section of the bill it is provided that the secretary of state might require additional statements from time to time to make sure that the financial status of any such motorist had not changed.

Provident L. & A. Gains

For the first quarter of the year the business of the Provident Life & Accident showed a gain of 13.5 percent over the corresponding period of last year. Three departments of the company, the pay order and railroad divisions of the accident and health branch, and the life departments, broke all previous records. The pay order-group department, completing the largest month's business in its history in March, registered a gain of more than 22 percent for the quarter over the same period of last year. The railroad department in March did more than twice the business shown in March, 1926, and indicated a gain of 113 percent for the quarter.

The life department, youngest branch of the company, showed a production of more than \$1,250,000 for March, the biggest month's business the department has ever done.

New York Office Opened

NEW YORK, April 13.—The Century Indemnity, casualty running mate of the Aetna Fire, will open a New York branch office under the management of Russell & Ziegler and will begin writing business April 18. License to operate in the state already has been obtained. The office will cover the territory comprising Greater New York, Long Island and Westchester and Rockland counties.

No Action Taken

Owing to uncertainty as to the effectiveness of local action before the National Association of Casualty & Surety Underwriters has adopted the acquisition cost rules, the Chicago Surety Association did not adopt the new rules at its April meeting this week. The next business meeting will be held in the fall and in the meantime the respective offices will be governed by the instructions of their own companies.

There will be five summer meetings under the guidance of the golf committee which will shortly announce the date and place for the first golf session.

NON-CANCELLABLE ACCIDENT AND HEALTH EXPERIENCE FOR LAST YEAR

IN spite of the fact that a number of companies retired from the field last year, premiums on non-cancellable accident and health insurance in 1926 showed a material increase over the 1925 figures. The companies withdrawing for the most part wrote a comparatively small volume of this business, while the leaders in the class, such as the Continental Casualty, Pacific Mutual,

Massachusetts Protective, Connecticut General and Monarch Accident, all showed good gains.

Even more notable, however, was the increase in the loss ratio, which jumped to 71 percent. Total premiums for the year were \$22,915,251 and losses \$16,376,042. Figures by companies on non-cancellable business last year are as follows:

	Premiums	Losses	Reserve
Aetna Casualty	7,549	40,794	42,221
Aetna Life	119,147	23	505,610
American Employers	248	681	.....
Business Men's Assurance	9,200	661	.....
Columbian National	18,873	5,025	2,232
Connecticut General	548,173	105,664	662,650
Continental Casualty	934,577	212,713	434,082
Continental Assurance	19,824	.....	.....
Elkhorn Life & Acci	28,019	20,719	.....
Employers Indemnity	49,486	25,684	33,756
Employers Liability	916	23	.....
Europ. Gen. Reins.	183,722	144,197	153,395
Equitable Life, N. Y.	1,193,126	688,628	.....
Federal Life	133,842	35,845	74,204
First Reinsurance	16,796	18,515	310
General Reinsurance	231,157	130,001	520,799
Great Northern Life	5,952	782	274
Great Western	8,408	1,037	7,240
Hartford Accident	1,199	.....	551
Massachusetts Protective	372,089	128,672	276,407
Massachusetts Life	6,138,753	3,660,346	1,241,099
Metropolitan Life	112,977	62,474	105,631
Monarch Accident	914,213	427,198	40,000
Ohio National Life	7,940	4,119	2,500
Pacific Mutual Life	2,629,849	964,958	1,459,767
Pilot Life	10,182	8,642	9,185
Southern Surety	12,239	185	.....
Standard Accident	3,062	1,440	1,881
Travelers	132,863	82,017	382,919
Travelers Indemnity	2,873	4,348	11,545
U. S. F. & G.	9,421	2,621	6,650

AGENTS TOLD WHERE NEW BUSINESS MAY BE FOUND

In "Protection," organ of the Travelers, the value of garage and automobile sales agency business as a producer of still more business is pointed out. The writer states that when the agent has a number of garages and agents on his books it is simple to learn the names of buyers of automobiles and build from them a valuable prospect list.

The article in a brief analysis shows the kinds of coverage afforded by the company's policy on regular garages, which in order are: Premises hazard; automobile coverage, including cars owned by the garage and cars left to be repaired; additional assured protection, affecting personal liability of executive officers of the corporation or members of a partnership; liability of the garage while a car is in the hands of a prospective customer; defect coverage—liability of the garage for damage to a car that has been repaired where it is alleged the garage is responsible; livery, private and commercial; coverage for damage to property in the keeping of the insured.

The agent is advised that after he has sold his garage prospect the policy that includes the items above he should seek out the customers of the garage and sell them the protection they need as its users.

Rules Against Fleet Rate

Insurance Commissioner Wright recently addressed all the casualty companies operating in Georgia, calling their attention to his ruling that it would be counted discrimination where privately owned automobiles are included in the fleet rate granted for a common ownership. Commissioner Wright holds that the granting of discounts to privately owned cars is in violation of the anti-discrimination law. He has asked all casualty companies to go on record as to their attitude toward this ruling.

Edward Brown in New Post

Edward Brown has been appointed resident manager at St. Louis for the credit insurance department of the United States Fidelity & Guaranty. He will have supervision of that department throughout the Mississippi valley. Mr. Brown was with the National Surety four years immediately prior to joining the U. S. F. & G.

COMPROMISE GOVERNMENT CLAIMS AGAINST AMERICAN

SIOUX CITY, IA., April 13.—Substantial progress toward the conclusion of the receivership of the American Bonding & Casualty, which failed in 1921, has been made in the past month by a compromised settlement of numerous government claims. For losses on postmaster bonds, immigration bonds and liquor bonds which had been issued by the American Bonding and which remained unsettled at the time of its failure, the government filed claims amounting to \$175,034. These have been compromised and settled upon the payment by the receiver of the insurance company, of \$18,750. A similar sum is also paid by the Illinois receiver of the Chicago Bonding, which according to the general understanding had been merged with the American Bonding. This merger however, developed to have been incomplete with the result that the insurance department of Illinois never relinquished about \$400,000, deposited with it by the Chicago Bonding, and now the courts have ruled that it need never relinquish it.

This disposes of all the government claims, except those known as the United States Shipping Board Emergency Fleet Corporation claims. These however, involve something over \$1,000,000, sufficient in fact to dissipate all of the remaining assets of the receivership. It is confidently expected, however that if these cases are lost, the amount claimed will be very greatly reduced. With such a result there will be a chance for numerous claimants for return premiums to get at least a portion of what they are demanding. There is no hope, however, that the stockholders will ever salvage anything out of the wreckage.

Aetna Advertises in New Way

A new and unique piece of advertising has just been brought out by the Aetna Life and affiliated companies. A booklet of 24 pages and cover, conveniently ruled and indexed, in which one can set down at the time they occur those items of income and outgo which are needed in making up a federal or state income tax statement. The income tax record is being supplied to Aetna Life agents for distribution to their policyholders and prospects.

MOTOR CLUB GAINS BY STAYING IN OWN FIELD

BETHLEHEM, PA., April 13.—"If you keep out of the other fellow's business, he will help you build yours, and both will benefit far more than by petty competition," according to William M. Goodwin of Bethlehem, past president of the Insurance Federation of Pennsylvania and widely known insurance man.

"Recently I was asked to serve as chairman of a membership drive for the Bethlehem Motor Club, and accepted with the provision that the club go on record as being opposed to entering any private business in any capacity. While I did not mention insurance, I had that in mind because the club was offering discounts to members on gasoline, oil, tires and tubes and other accessories in addition to the legitimate motor club activities and might step to accident insurance, as another auto club in this vicinity is doing.

"The club adopted my views, and the newly elected board of directors is expected to take official action on the question brought up during the membership drive.

"The result of this action during the membership drive was enlightening. The campaign will close April 22 and we should double our present numbers. The dealers' association has reversed its attitude of a business competitor, and is assisting in the drive for club members. This assistance will more than make up the difference in members we might lose through the elimination of the business favors."

Pennsylvania Bill Withdrawn

HARRISBURG, PA., April 13.—The compulsory automobile liability bill, which has been emasculated to such an extent that the Chamber of Commerce withdrew its support, has been definitely withdrawn from the calendar of the senate. This defers any such law becoming effective in this state until after the 1929 session.

William Mac Innes Promoted

William Mac Innes has been appointed superintendent of the automobile department of the Ocean Accident & Guarantee as successor to the late A. G. Ellms. He was Mr. Ellms' assistant for a number of years, and previously was in charge of automobile underwriting for the Norwich Union Indemnity.

Phoenix Indemnity Moves

NEW YORK, April 13.—The latest of the numerous fire and casualty companies that have secured quarters in the attractive building at 50 William Street is the Phoenix Indemnity, which on April 15 will be established in commodious quarters in the new structure.

Joyce to Return Monday

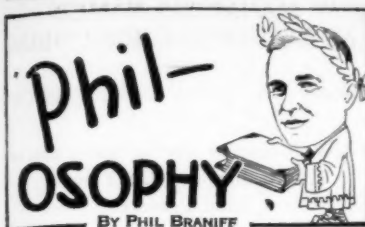
NEW YORK, April 13.—The National Surety has as yet taken no action to fill the place left vacant by the death of Vice-President E. M. Treat, who had charge of the credit insurance department. Chairman of the Board W. B. Joyce will return here from California next Monday. He will confer with his associates before taking action.

White Made Field Manager

G. A. White, formerly connected with the casualty department of the Globe Indemnity in Chicago, has been appointed field manager for the Century Indemnity, western branch office, effective May 1. He will have charge of Michigan, northern Indiana and northwestern Ohio territory. He will make his headquarters in Chicago.

Made New Century General Agent

A. Ray Winters of the Farmers & Mechanics agency at Kalamazoo, Mich., has been appointed general agent for the New Century Casualty of Chicago for seven southwest counties in Michigan.



THE GREAT ADVENTURE

Not so long ago a young man sent a bullet through his head, leaving behind a note saying he "went to seek The Great Adventure." He went over the hill to where there's room for all of us. But he crashed the gate. He sought The Great Adventure. And I had it all the time. So have you. I'm not going to tell the story of my life. You'd cry or maybe lock the back door. But I don't understand anyone seeking any greater adventure that going out in the morning to look for worms and finding somebody else's legs sticking out of all the worm holes.

Adventure? You're right in the middle of it. I've had some of it. Since I was nine years old I have sold soda pop, radishes, magazines, bluing, dyes, photographs and subscriptions. (In the meantime I went to school—believe it or not.) I've read proofs for a newspaper and got a letter of recommendation from Deac Parker. I took up tickets in a theater, fed the hogs in a lumber camp, harvested wheat in Kansas, peaches in Oklahoma (not N. Y.), sold flowers in a greenhouse, delivered candy for Loose-Wiles, sold toys in a book store, delivered telegrams, peddled groceries, carried the rear chain in a surveyor outfit, skinned mules on a scraper, and cried with the widows for the Maryland Casualty. I used to adjust claims.

Once I caught a burglar—nearly. I was much faster than he. I got home first. The world war got me out of the way for the Maryland Casualty. I went in as a buck and came out without losing my rank. After the war I got into the only business that I could draw a little money in advance. Here I am. Some day I hope to pay it back.

I have been hit, cussed, hugged, kicked out, pulled in, run over, knocked down, run out, trampled on, broke, sick, hungry, merry and happy. I have had measles, whooping cough, shingles, scarlet fever, broken bones, flu, chicken pox, hives, black eyes, and busted ribs. I've had to run, slide, jump, hide, climb and dig. I've seen the welcome sign on a door mat and the name plate on a Nettleton shoe. I've got scars, debts and secrets. Money gets off me like passengers at Tulsa. It's LIFE! I like it. I want to see a lot more of it. It's full of action. It makes you cry, laugh, work, sing and sleep. It's got pleasure, rest, beauty, adventure and opportunity.

Maybe I've had too many jobs. But I'm like that gentleman in Utah, "I loved every one of them!" Maybe there isn't much gold in my claim but the old pick 'n shovel feel good 'n when Old Sol turns on the meadow larks and the grass reaches up, I like it, and if I can put away enough to tide me over, I'll give the old world a clear title to what's left. Giddap, feet!

APROPOS OF APRIL

Hilly asphalt street,
Gentle April Showers,
Driver indiscreet—
Kindly omit flowers.

J. P. W. McNeal, Maryland Cas.

SALESMANSHIP

Salesmanship is a wonderful thing. It inspires guys like me. But there is such a thing as over-selling. Today my phone rang. A voice inquired, "Do you want to sell your house?" I did. I described my house to my prospect. I told him about it! I touched on the cost of duplication. I soared to oratorical heights in my description of its construction. I stopped to breathe. He asked one or two questions about it. I answered them. Then I asked, "Who

are you?" and he answered very rudely, "I am the tax assessor!" I think that's dirty justice. But I sold him on my house. You ought to see my assessment!

CHARLEY BURRAS

If you ever went anywhere where anything was going on you met Charley Burras. He is the man with the pious face. (Not pie, pious!) He looks like he never did anything wrong in your life



and the records show he didn't. Charley can look at you and bet \$6 just like it was puttin' it in the collection box—and if you call him—it is. As president of the National Association of Casualty & Surety Agents he is starring this year. As an after dinner talker he has more stories than Woolworth. He's a regular after-dinner-mint. His most celebrated poem is "The drinking song" from "Burras." Right now Charley is just back from the West Indies. Tom Braniff was on the same boat. I wonder which one of 'em will have two watches when he comes home.

THE QUESTION BOX

Do you have problems? In order to assist busy agents in answering questions that they have no time to solve, I have procured the services of a corps of trained deficiency excerpts who will gladly serve you in matters of trouble. No problem will be too large, none too small. Shoot 'em in. The committee in charge of the Ouija Board consists of folks from every walk of life. We have four widows (three grass and one with one down 'n two to carry), five Osage Indians, two carpenters, one window washer, one well digger and a channel swimmer. Send in your questions. No matter what ails you. If you have shingles or if you need 'em. If you are in love, jail or want out of either or both. If you can't find your other shirt, husband or spare tire. If you want to know how to walk home from a boat ride, have Halitosis or failing business, we'll give you spiritual advice. Send your questions in early. Our widows are getting old.

Samson was a strong man. I have a lot of respect for anybody who can push out two columns.

Opens Denver Claim Office

Thomas A. Mapes, well known attorney at Helena, Mont., has been placed in charge of the new claim office which the Fidelity & Deposit has opened in Denver. He will handle all claim work in Colorado, Wyoming and New Mexico. Mr. Mapes is the father of J. H. Mapes, assistant manager of the company at Portland, Ore.

Branch Office Moved

The Buffalo branch office of the Metropolitan Casualty of New York has moved from its former location in the Bramson building into the ground floor location of the Bank of Buffalo building. The move was occasioned by heavy increase of business.



If you want to build up a profitable and permanent business in a short time, sell income insurance. It sells more quickly than any other kind, and is in greater demand.

We have some valuable territory open at present for energetic and dependable agents, and are in position to offer a first-class contract. Liberal commissions, excellent claims service and a policy to fit the needs of every insurable risk at reasonable premium rates. Write today to

Agency Department

NATIONAL CASUALTY COMPANY

DETROIT, MICHIGAN

W. G. CURTIS, President

FULL COVERAGE
AUTOMOBILE CONTRACT
Embracing
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Desirable Open Territory in
OHIO, INDIANA, W. VIRGINIA, PENNSYLVANIA and KENTUCKY
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THE AMERICAN LIABILITY CO.

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C. L. HARRIS & COMPANY

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Claim Examiners and Adjusters

Immediate Service at Any Point in Northern Ohio
"Notify our Closest Branch"

Akron Office—525 Second National Bank Building

Youngstown Office—584 Realty Building

Toledo Office—1151 Nicholas Building

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of Frankfort, Ky.

Our Accident and Health Policies give the Insured his money's worth. They are Far Ahead of the Average, and Contain Features which make them distinctive.

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Blanket Auto Excess Fire Covers in American Companies

ASSESSMENT STANDS FOR BIG RECIPROCAL

(CONTINUED FROM PAGE 47)

A large number of the members have been awaiting the decision of the circuit court of appeals before meeting the demands of the receiver. It is now thought that collections will proceed rapidly inasmuch as the decision of the circuit court of appeals was unanimous. Judge Anderson of Indianapolis sat with Judges Evans and Page in the appellate hearing.

Members Did Not Appeal

The appeal was taken by Sherman & Ellis, Inc., attorneys-in-fact for the reciprocal, who made several attempts to regain control after surrendering their power to Judge W. T. Irwin of Peoria as substitute attorney-in-fact in the summer of 1924, during a financial examination that was under way by representatives of the insurance commissioners' convention. None of the exchange's members took part in the appeal as they were apparently glad to have the liquidation and the mess cleaned up in orderly fashion and as quickly as possible.

Worst Failure on Record

The failure is said to be the greatest on record in insurance history. When the exchange quit on July 28, 1924, the nominal assets were \$473,792. This included claims against the government for refund of taxes and some others just about as practical. There were some good bonds but they were mostly tied up as deposits with insurance departments or to secure appeals on claims which the Associated Employers was defending. The liabilities found by the receiver on a careful audit of the books, but including the cost of liquidation, were \$3,734,000 or \$2,300,000 in excess of the assets.

Blow to Reciprocal

The failure was a notable blow to the reciprocal principle. The Associated Employers was the leading or at least the most vociferous exponent of inter-insurance. The failure of such a prominent reciprocal was naturally a blow to the system but it was also effective in directing the spotlight on the dangers to members of the reciprocal plan. A still greater blow was a remark that was passed by Judge James H. Wilkerson during one of the many hearings of the case. Judge Wilkerson said: "The net result is, the members are liable to third persons as partners, and among themselves according to agreement."

Danger to Members

During another hearing Judge Wilkerson remarked: "The attorney-in-fact is merely the joint agent of the subscribers in carrying on their business of mutual insurance." These remarks are of tremendous importance to members of automobile reciprocal exchanges, because claims on automobile policies are practically always from nonmembers who are the "third persons" referred to by Judge Wilkerson. The legal implication is that if liability of a claimant against the exchange itself can be established the claimant may proceed against any member who has money and collect the amount of the loss, perhaps long after the exchange itself has disappeared or long after his membership terminated.

Recalled Texas Decision

This receivership also brought to light a notable decision in Texas in which the supreme court in that state said: "Any intended or, for that matter, express limitations among the members of their individual liability could no more control the rights of third persons than could a similar agreement between the members of an ordinary partnership. The members of the association are individually liable because they are all principals, and being principals, are bound in the same manner and for the reason that members of an ordinary partnership are bound."

The remarks of Judge Wilkerson were

CONTRACT COVERS ONLY RUPTURING OF BOILER

POLICY LIABILITY DEFINED

Case Involved Damages to Bulge or Bag at the Bottom of the Boiler

Insurance Company Held Liable for Rupture of Boiler Head But Not Liable for Repairs to Bulge Formed Thereunder by Terms of Explosion Policy.—In Cleveland Drop Forge Company vs. Travelers' Indemnity, Supreme Court of Ohio, 151 N. E. 671, an action was brought to recover under a boiler policy. By its terms the company agreed to indemnify against loss or damage caused by explosion. The policy provided that the term explosion should mean the sudden rupture or collapse of the boiler caused by the pressure of steam.

While this policy was in force there was a rupture of the boiler head and following this, a bulge or bag was formed at the bottom of the boiler which was caused by dripping water and the collection of sediment at that point. The insured took the position that it was entitled to recover the loss of repairs not only to the boiler head but to the bag or bulge underneath as well. The trial court permitted a recovery for both of these items of damages.

Judgment Was Remanded

On appeal to the court of appeals this judgment was remanded on the ground that the judgment was excessive because it included repairs made to the bulge in the boiler. The court of appeals therefore remitted the cause for a new trial. Whereupon the insured appealed to the supreme court of Ohio. Here in reviewing the record and in affirming the judgment of the court of appeals the court said:

"The breaking apart of the boiler head, in which the rivets were sprung, therefore, was a 'rupture' within the meaning of the policy for which the insurance company was liable. Moreover, it was a 'sudden rupture' caused by the pressure of steam, for on the first parting of the rivets from the plate a rupture occurred, and liability immediately attached.

Purpose of the Policy

"Was the plaintiff entitled to recover under this policy for repairs made to the bag? At that particular point the lower part of the boiler had bulged downward over the fire box, but there was no sign of any rupture thereto. The manifest purpose of the policy contract was to insure against explosions and their resulting damage.

"Recognizing that pressure of steam might sometimes not produce explosions of violent character, but might produce a splitting apart of some portion of the steam boiler, with a lesser violence than that produced by an ordinary explosion, the insurer obligated itself to indemnify the assured for the damage directly caused by the rupture.

"The damage directly caused by the rupture was the springing apart of the

(CONTINUED ON NEXT PAGE)

not a part of the decree that was reviewed by the circuit court of appeals, but inasmuch as he is wholly sustained in a lengthy decree covering scores of typewritten pages and an immense amount of detail, a presumption in favor of the soundness of his remarks in the case is strong.

The affirmation of the decree in full is a strong compliment to the legal firm of Fisher, Boyden, Kales & Bell, which has represented the receiver. They came into the case as attorneys for the subscribers' protective committee which intervened to prevent wasting of assets. On the showing made the receivership was reorganized with this firm as counsel.

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Assets exceed \$10,000,000 — Surplus to policyholders \$3,167,830.

We have some territory open that may interest you.

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Fidelity and Surety Bonds, Automobile, Elevator and General Liability, Accident, Health, Burglary and Plate Glass Insurance

Appreciate the co-operation of the

Massachusetts Bonding & Insurance Company

BOSTON

T. J. FALVEY, President

Write for Territory

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Surplus to Policyholders, \$4,035,856.96

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CREDIT INSURANCE ONLY

J. F. McFADDEN, President

The American's Policy not only provides absolute protection against abnormal loss on all outstanding covered accounts, but serves to prevent losses.

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Position Wanted in Ohio

By Special Agent with strong reliable company. Seven years casualty and surety experience and large agency acquaintance. Details gladly furnished.

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Casualty Underwriter as assistant to manager casualty department branch office large company familiar with all casualty department detail. Counter experience valuable. Reply giving age, experience, etc. All replies received in confidence.

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Care The National Underwriter.

EXPERIENCED ADJUSTER AND INVESTIGATOR FOR CASUALTY COMPANY DESIRES FIELD POSITION. HAVE HAD AGENCY EXPERIENCE.

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Care The National Underwriter.

It is worth your while to
ADVERTISE

in the National Underwriter
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SOME RECENT DECISIONS COVERING AUTOMOBILE LIABILITY INSURANCE

WHETHER Defendant's Failure to Clear Road for Fire Engine Was Proximate Cause of Collision Between Such Engine and Third Party—Plaintiff while driving an automobile heard a fire alarm. By city ordinance, it was provided that fire apparatus should have the right of way on the city streets and that all vehicles should, upon the approach of same, draw up to the right curb and come to a full stop, etc. Plaintiff complied with such ordinance. Defendant's coal truck failed to come to a full stop, until it became necessary for an approaching fire truck to swerve in order to avoid hitting the coal truck, and the fire truck struck plaintiff's automobile causing injuries. Plaintiff sued the owners of the coal truck. Defendant claimed that the violation of the ordinance was not related in any way to the collision, and that the ordinance was not adopted for protection of plaintiff and she did not come within its provisions. Held that such ordinance was enacted for the benefit of every person using the streets. Defendant's truck was at least a proximate cause of the injury and whether the sole cause or not was immaterial. There was no error in submitting the case to the jury. *Hadley vs. Arms & Scott*. Sup. Ct. of Washington. Decided Dec. 1, 1925. R. Dec. 23.

Rule of Imputable Negligence in Michigan—Held that the trial court in holding that plaintiff as a voluntary passenger riding with her husband was chargeable with any negligence committed by him which contributed to the accident resulting in her injury, applied a rule that has obtained in Michigan for over half a century. *Holsapple vs. Superintendents of the Poor*, etc. Sup. Ct. Mich. Decided Dec. 22, 1925.

Whether Complaint Would Be Dismissed Where the Cause of Action Was Improbable but Not Incredible—Plaintiff's intestate was killed in a railroad crossing accident when his automobile was struck by defendant's train. There was testimony that no warning signal

was given, that the train was going at high speed, and that the train was unlighted, inside and out. Held that such facts constituted a question for the jury. While it was improbable that an unlighted train would so proceed, it is common knowledge that lights sometimes do not function properly, and the facts were not so incredible as to warrant a dismissal of the complaint. *Wilhelm vs. Lehigh Valley R. R. Co.* N. Y. Supreme Court. App. Div. (4th Dept.) Decided Dec. 23, 1925.

Duty of Driver of Motor Vehicle When His Vision Is Obstructed by Permanent Obstruction in Road—Plaintiff riding a bicycle was injured in a collision with defendant's automobile in close proximity to the abutments of a railroad bridge which interfered with the view of both parties. The court charged in effect, that it was the duty of a driver of a motor vehicle to stop when an obstruction to the roadway made it unsafe to others to proceed. Held error. The law requires a driver to stop when his vision is entirely obscured by a temporary obstruction, such as dust cloud or smoke screen, when his failure to do so would be dangerous to others, and to remain at a standstill until the obstruction comes to an end, but the application of such rule to permanent obstructions would be practically to close the street to traffic, for the same danger which made him stop, would prevent him from starting. *Robinson vs. Mutnick*. Sup. Ct. New Jersey. Decided Nov. 24, 1925. R. Jan. 7.

Liability for Death of Child of Four Years, Who Started an Electric Truck Parked on Wrong Side of Street—The driver of the truck, after parking it to the left side of the curb, had gone into a house nearby. He had left the brakes loose and had not removed the switch plug. He had seen the child coming down the steps when he entered the house. Parking of the truck on the left side of the street was contrary to ordinance. Plaintiff's intestate, a child of four years, had climbed on the truck's left front wheel, leaned over the left side of body, reached the lever, pushed it down and the car started. The child was thrown down, run over and killed. Held that plaintiff was entitled to recover for his intestate's death. A child of four years is not capable of negligence, primary or contributory, hence contributory negligence could not be attributed to him. Violation of ordinance is negligence, but for plaintiff to recover, it had to be shown that this negligence was the proximate cause of the injury. In the instant case, the truck was parked without due care for protection of the public. *Campbell vs. Model Steam Laundry*. Sup. Ct. North Carolina. Decided Dec. 9, 1925.

Degree of Care Required of Child Just Released from School—Plaintiff's intestate was killed by being struck by defendant's truck. The evidence showed that the driver jumped from the truck without fully stopping it in order to chase another boy who was stealing a ride. Deceased, a boy nine years old, had just come from school and was in the street watching the driver chase the other boy. Held that a judgment for plaintiff would be sustained. Courts take judicial notice of the fact that children just released from the schoolroom are more apt to be heedless than under ordinary circumstances. Moreover the sight of the driver chasing the other boy might easily divert the attention of deceased, and excuse an act which might be negligence if committed by an adult. *Dregan vs. Hydrox Co.* Appellate Court of Illinois. (1st Dist. Decided Dec. 8, 1925.

CONTRACT COVERED ONLY RUPTURING OF BOILER

(CONTD FROM PRECEDING PAGE)
rivets from the boiler head plate. The damages covered by the insurance policy were those caused directly and not indirectly by the explosion, as therein defined. The insurance company was liable only for the damages caused by the rupture. Those damages included repairs necessary for the restoration of the ruptured places in the boiler. The judgment of the court of appeals is therefore affirmed."

INJUNCTION GRANTED ON CENTRAL BUREAU PLAN

NEW YORK, April 13.—After holding the matter under advisement for several weeks, Supreme Court Justice Bijur has granted the application of Charles S. Rosenweig, an insurance broker of this city, trading as Stephen & Co., restraining the National Bureau of Casualty & Surety Underwriters from continuing to operate the central bureau recently formed to deal with the not-taken policy evil in New York State.

Attorneys for the National bureau are studying the decision and will later determine whether to take an appeal or to ask for a stay of the injunction. Meantime member companies are expected to conform to the requirements of the central bureau, the organization still having a short time before the injunction becomes operative.

Instructions for Summer Residents

BOSTON, April 13.—In view of the many conflicting and erroneous statements regarding the cost of liability insurance for non-resident and visiting motorists in Massachusetts the coming summer under the compulsory liability insurance act, Commissioner Monk has issued an analysis and explanation of the requirements for non-residents which covers every possible contingency. The statement shows rates covering various conditions and gives full instructions for the guidance of summer residents.

Joins Ocean Accident

W. B. Burge, formerly with the "Insurance Field" of Louisville, has joined the western headquarters of the Ocean Accident & Guarantee as superintendent of the accident and health department for the Pacific coast states. Prior to entering insurance journalism several years ago Mr. Burge was superintendent of the accident and health department of the Maryland Casualty at Los Angeles.

Casualty Notes

The Sentinel Life of Kansas City has been licensed in Minnesota and Tennessee.

LeGrand W. Pellett of Newburgh, N. Y., has been given the general agency in that city of the Great American Indemnity.

SOME SUCCESS FACTORS

1. Temperance: Eat not to dullness; drink not to elevation.
2. Silence: Speak not but what may benefit others or yourself; avoid trifling conversation.
3. Order: Let all your things have their place; let each part of your business have its time.
4. Resolution: Resolve to perform what you ought; perform without fail what you resolve.
5. Frugality: Make no expense but to do good to others or yourself.
6. Industry: Lose no time; be always employed in something useful; cut off all unnecessary action.
7. Sincerity: Use no hurtful deceit; think innocently and justly, and if you speak, speak accordingly.
8. Justice: Wrong none by doing injuries or omitting the benefits that are your duty.
9. Moderation: Avoid extremes; forbear resenting injuries as much as you think they deserve.
10. Tranquility: Be not disturbed at trifles, or at accidents, common or unavoidable.



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The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

FRIDAY, APRIL 15, 1927

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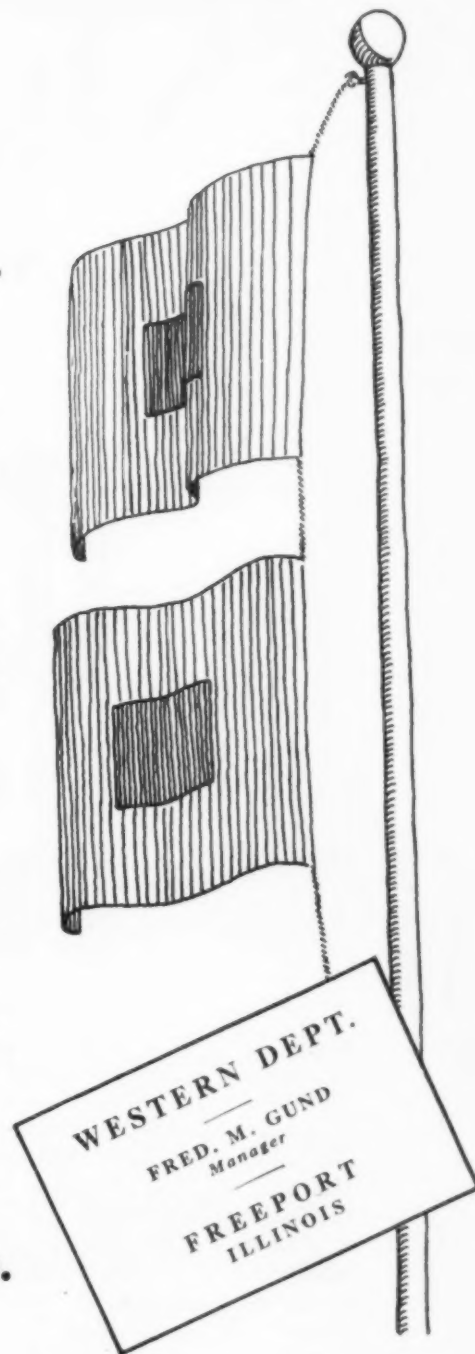
Sell your assureds this coverage now so that when the warning flags are up or storm warnings are broadcast you will have at least the satisfaction of knowing that come what may your assureds are going to be indemnified for whatever property loss they may sustain.

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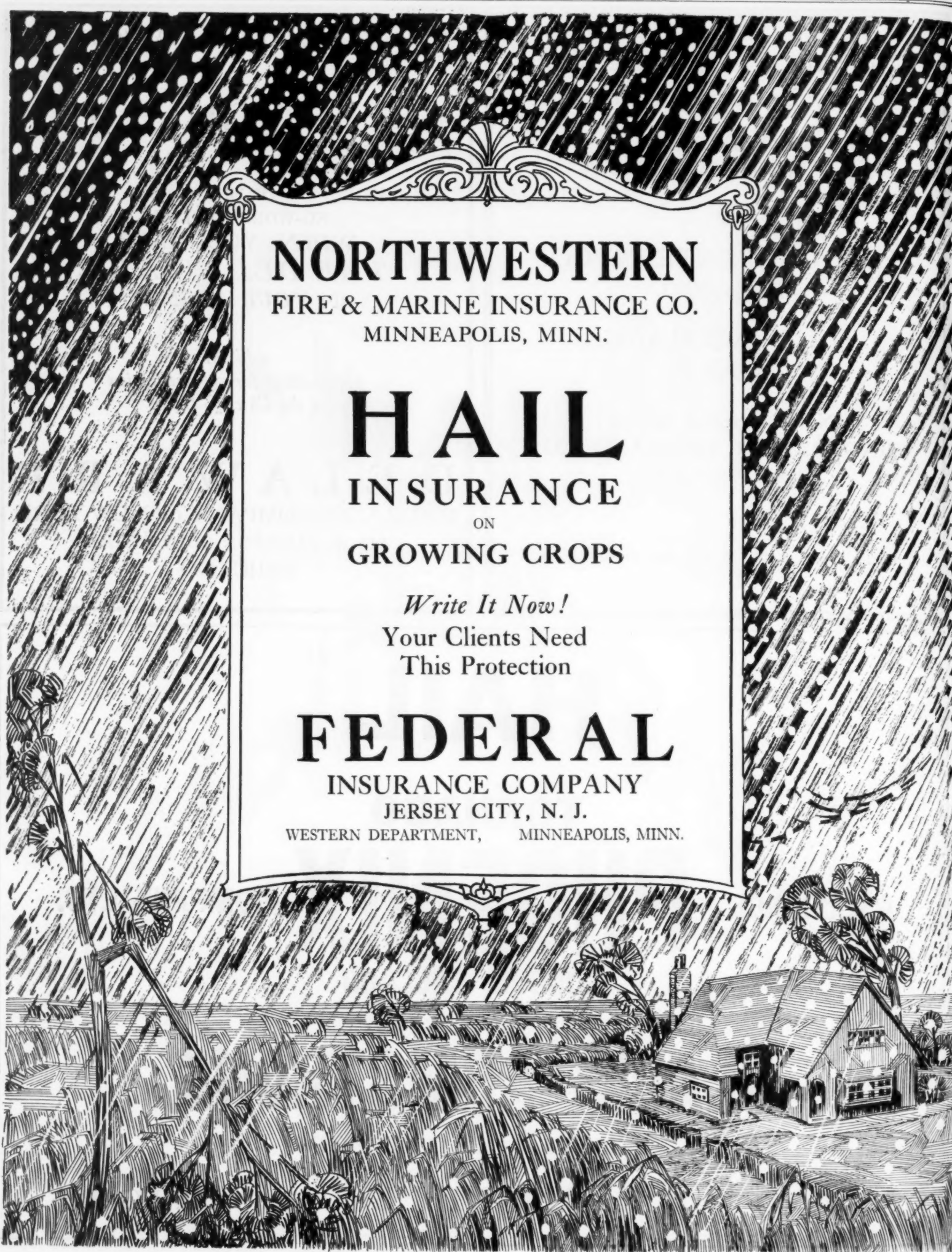
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A detailed black and white illustration of a farm scene during a severe hailstorm. The sky is filled with a dense pattern of diagonal lines and dots, representing falling hail. In the foreground, there are fields of crops, some of which appear to be damaged or flattened. To the right, a large, two-story farmhouse with a chimney and a smaller outbuilding are visible. The entire scene is framed by a decorative border that follows the shape of the text area.

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The National Underwriter

Hail and Tornado Insurance Number

HAIL insurance enjoyed one of the most satisfactory years in a decade during the 1926 season. This branch of the business, which has been a much-maligned division for some years, is now very definitely reorganized and stabilized and its future promises well. The notable accomplishments of the Hail Association through its advisory committee work of the past year, which is again to be continued this year, mark a turning point in the history of hail insurance.

THE efforts of the Hail Association to clean out the business and put it thoroughly upon its feet were amply rewarded last year. Although the business for the year was an unfavorable one from the weather standpoint, the loss ratio showed a marked improvement, in fact the lowest loss ratio since 1919, largely the result of the Hail Association's work. At the opening of the 1926 season the association sent its advisory committee into the field to hold regional meetings in the important hail insurance centers and properly educate the agents and adjusters on the fundamentals of hail insurance. The men went into the field and their year's work indicated that the regional meetings had been of general benefit. Questionable claims, for many years the sore point of the business, were more equitably disposed of during 1926 and the business was returned to the basis of hail insurance. The old competitive adjustments and the not infrequent padding of claims and presentation of fake claims were thrown into the discard and honest, equitable adjustments became the rule of the day throughout the field.

THE companies concentrated on improving the tone of the business last year, rather than on the production end, and weather conditions reduced the writings in some sections so that the

total business remained at practically the same figure reported in the previous year. Premiums amounted to \$13,631,825 on the part of the stock companies, and on this total they reported a 53 percent loss ratio. This compared with 62 percent in 1925 and 83 percent in 1924. The loss ratio of the preceding years had been higher, this being the lowest reported since the 42 percent loss ratio of 1919. Canadian experience was worse, \$4,803,004 of premiums showing a loss ratio of 66 percent. In Canada it had been hoped that a turn in the right direction had been taken, a definite and persistent improvement having been shown since the 93 percent loss ratio of 1923, but the turn for the worse last year proved disconcerting to the hail underwriters in Canada. Saskatchewan was the particularly black spot.

THE improvement in losses in 1926 was especially gratifying to hail underwriters, as the actual hail loss experience was fairly bad last year. There were numerous severe hail storms. At

the outset of the season the companies had been somewhat disappointed by poor crop and weather conditions in certain sections, which reduced their writings, and on top of this the bad hail season resulted in an appreciable volume of legitimate hail claims. The removal of the illegitimate claims, however, saved the business from a disastrous loss ratio and brought it nearer to the profit class than it has been for some time.

FOR the coming year, weather permitting, the companies anticipate a still further improvement in this branch of the business. Now that a large part of their difficulties have been ironed out, they are in a position to permit the expansion of business to a degree, although they will still closely watch the expansion phase. One of the purposes of this readjustment period had been the weeding out of undesirable sections, policy holders and agents, even some of the latter having been encountered, and it is not the intention of the companies

to rush with undue haste into the old path in a scramble for business. During the coming season the attention of those in the field will again be largely directed toward the adjustment phase of the business.

THIS will possibly have an even more important consideration this year as it is widely predicted that this will be an insect year. The insect hazard, a notable factor in hail adjustments, is always closely watched, and if there is to be any degree of a plague of insects the adjusters are now in a better position to draw the line between hail and insect losses than at any time in the past. The adjusters and agents alike are thoroughly educated to the fundamentals of the business and to the distinction between the various classes of grain and crop losses.

NOT only are the hail men now in tune with their own business, but the recording department has been taken into the regional conferences and given an insight of this business, showing that it is very definitely a part of insurance as a whole and that it is not a branch to be regarded as something foreign to the recording department. Also, the agents are being educated as to the proper methods of salesmanship and advertising in the production of desirable hail business and the improved business getting methods should be reflected in a larger business of a better tone. Thus hail insurance is looking forward to a good year, possibly the best year in the history of the business. It is always easy to predict a good year at the opening of the season, but in view of the change in the fundamentals of this business, it would appear legitimate in this case.

ANOTHER factor which promises to make this a big hail year is the financial situation in the agricultural states. With conditions very tight, the

A Textbook on Hail Insurance

This issue of "The National Underwriter" is a text-book on hail insurance which should be preserved by hail writing agents for future use. It is a reference work, rather than a current issue of "The National Underwriter," and as such is a complete hail insurance manual, covering all phases of the business with authoritative discussions by those qualified to speak.

In this "Hail Insurance Text-Book" are reproduced the talks given before the regional conferences of the Special Advisory Committee of the Hail Association. These meetings, attended by local agents, field men, adjusters and managers of both hail and recording departments, were virtually college sessions on this specialized branch. And here, assembled in the pages of this special issue of "The National Underwriter," are given these talks and discussions, reproduced for the benefit of those who could not attend—and also for those who were present and found the wealth of educational material too vast to digest at one sitting. This is a text-book on hail insurance. Do not throw it away, but preserve it and use it in your business.

One Severe Storm

ONE of the most interesting hailstorms in recent years was incurred at Dallas, Tex., last May. It was an unusually extensive storm, as well as an unusually damaging one. The storm, which occurred on May 8, swept across a territory 15 miles wide and 50 miles long. The size of the hailstones varied from that of mothballs to baseballs and even larger. In some cases the circumference reached 12 inches and some of the hailstones weighed 22 ounces. These fell to a depth of several thicknesses and did disastrous damage in many places. The total property damage was estimated at \$750,000 and the total crop damage at \$125,000. A number of ani-



This is the bearing apple tree in the hail swept section of Missouri, immediately after being stripped by the force of the hailstone. The branches have reassumed their normal stage, as they have been relieved of the burden of the fruit crop. (Hartford Fire Photo)

mals were killed and the fields that were swept by the hailstorms were flattened. The property damage resembled machine gun damage, roofs, windows and automobile tops being riddled as effectively as by a machine gun barrage.

Eighty-Five Mile Storm

Hailstorms are not always confined to small territories, the storm which swept Pratt county, Kansas, last May doing crop damage over a territory 85 miles long. That storm did over \$350,000 damage to wheat, as well as some property damage.

Two Million Dollar Storm

One of the most disastrous hailstorms of 1926 was that in Grayson county, Tex., on May 10, when nearly \$2,000,000 of crop damage was incurred in a storm which swept an area 30 miles long.

THE YEAR IN RETROSPECT (CONT'D FROM PRECEDING PAGE)

bankers are not going to take any chances with the farmer and wherever hail insurance will be accepted by the companies it will be demanded by the bankers to protect their interests. This will be a powerful sales force and should add notably to the year's premium total, so that many offices are opening the 1927 season in anticipation of a record business.

One Year's Accomplishments

By L. G. WARDER

Hail Manager, Hartford Fire, and Chairman Special Advisory Committee, Hail Association



L. G. WARDER

IT has for several years past been apparent that if the companies engaged in writing hail insurance are to expect any satisfactory results from this class, they must give the business careful thought and attention.

Adjusters, and agents as well, should have a thorough, correct and uniform understanding of the hail application and its conditions, and should know and be able to correctly explain the policy contract to the farmer. The farmer is entitled to know, and should know, just what he is buying and what liability the company assumes under the contract. If the agents do this, very little difficulty or misunderstanding is had in the event a loss occurs.

Agents should use care in making up the application—furnishing all the information necessary for the companies to intelligently pass on the business.

A hail loss, like any other kind of a loss, should be adjusted absolutely on its merits. The actual loss should be deter-

mined, and in accordance with the policy contract, and that amount should be paid. Any other manner of handling claims is disastrous to the business. It is an injury to the policyholders, agents and companies, as well. If the losses are overpaid, necessarily the rates must increase accordingly. This is not a fair distribution of the loss burden to the policyholders as a whole. There is no desire on the part of the companies to underpay their claims. Agents should understand and appreciate this and co-operate with the adjusters in obtaining fair and equitable adjustments. This is best for their business as agents, best for the policyholders, and best for the companies.

With a full realization of this, the advisory committee of the Western Hail Conference last year undertook an educational campaign and held meetings for adjusters and field men of all companies at centrally located points throughout the hail writing territory.

The purpose of these meetings was to bring about better and more intelligent co-operation in handling losses; to discuss in detail the hail application and policy contract; and create in the minds of all a correct and uniform understanding of its conditions and how it is to be applied; proper methods for determining various kinds of losses; and in so far as possible to eliminate from the business unsatisfactory conditions generally.

There is every evidence that these meetings have done a great deal of good. The adjusters have been better prepared to discharge their duties in a more satisfactory and intelligent manner than has been evidenced in the past.

Uniform methods of adjustments have been developed; proper forms for adjusters are now in use, which enables them to intelligently and systematically report on the losses, and enables them to show just how the loss is determined.

The advisory committee is continuing its efforts in this direction, and by reason of the whole hearted co-operation of the field men and company representatives, we are encouraged in the belief that the business is being materially improved.

Insect Hazard Grows

THE adjustment phase of hail insurance is becoming more and more important each year and hail underwriters are looking towards the coming season with anticipation of still further need for caution. Scientists throughout the country are warning of the increasing menace of insects. They refer to the "rising tide of insects." The pests which affect green fields of all types and add to the confusion of the hail adjusters are coming down in various sections in droves. The boll weevil, the Hessian fly, the codling moth and a host of others are widely known throughout the country and their ravages on the crops are familiar to all in contact with agri-



This is a bearing apple tree in Missouri just prior to a hailstorm which swept through this orchard and several others on the last day of July. The tree was so heavy laden with fruit that the branches were weighted down to the ground. (Hartford Fire Photo)

culture. Now there are two comparatively recent introductions into the field which are causing still further worry to agriculturists, the European corn borer and the Japanese beetle.

There is a very definite plague of the corn borer expected for the Ohio Valley and Illinois this year. All of these insects in the aggregate make a formidable foe for the farmer and also for the hail underwriter, as in the aggregate their effect on the hail loss adjustment is notable. The border line between insect loss and hail loss is difficult to distinguish in many cases and thus the insect loss becomes a factor in hail adjustment. The total insect loss to the farmers of the United States alone is estimated at something over \$2,000,000,000 annually and even a very small percentage of this would be classed in the beginning stage where confusion might result in case of adjustment, the loss to the underwriter is seen to be a notable factor.

Eighteen Inches of Hail

One of the types of hailstorms which sweeps across a section like a snowstorm was incurred at Laredo, Tex., April 6 of last year. Hailstones to the depth of 18 inches fell over rather extensive territory. The crop damage was not particularly excessive at that time, onions being the chief crop injured and those to the extent of about \$250,000. The depth of the hail was unusual, however.

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The Hail Policy

By JAMES B. CULLISON, JR.
Hail Manager, Aetna, North America, Springfield

SINCE the writing of hail insurance on growing crops is of comparatively recent origin, the interpretation of the hail policy must be largely by analogy. Accordingly, the law as applied to other forms of insurance will largely govern the courts in interpreting the terms of the present hail policy.

Nature of Insurance And the Hail Policy

Webster's New International Dictionary defines insurance as, "the act of insuring against loss or damage by a contingent event; a contract whereby, one party undertakes to indemnify or guarantee another against loss by a certain specified contingency or peril, called a 'risk,' the contract being set forth in a document, called a 'policy,' (a temporary memorandum, called a binder, being often used in case of fire insurance pending the issuance of the policy)."

In fire and marine insurance the principle is entirely that of indemnity. In no circumstances may the insured recover more, and he may recover less, than what he has actually lost. This principle also applies to the present form of hail policy. (Par. 22)

Important Considerations in the Hail Contract

Since the policy is defined as a contract, it is necessary that we look to the fundamental law governing contracts, in order to properly interpret the provisions of a hail policy.

Contracts defined—A contract in a modern sense has been defined as an agreement made by two or more competent parties, upon a sufficient consideration, creating a legal enforceable obligation to do or not to do some lawful thing. The essentials of a contract are: (1) Competent parties; (2) mutual agreement—a common understanding or meeting of the minds of the parties, with reality of assent (not merely an apparent assent, induced by fraud, mistake, duress, etc.); (3) a legal and sufficient consideration (with mutuality of obligation when based on mutual promises); (4) a legal subject-matter; (5) certainty as to its terms; (6) compliance with any statutory requirement.

Analysis of the Parties to the Contract

Minors—A minor's contract, unless for necessities or made under authority of a statute, is voidable in his favor (even if he falsely represents his age), but binding on an adult contracting party. After becoming of age, the minor may confirm the contract by express ratification showing intention to fulfill it or by acts clearly evincing such intention, or by failure to disaffirm within statutory time, if any, or within a reasonable time when prejudicial to the other party. Upon disaffirming, any money or property received must be restored, if possible.

Insane persons and idiots—A contract other than for necessities, made by a person of such unsound mind as to be incapable of understanding its nature and effect is voidable in his favor. If not adjudged insane, and apparently of sound mind, and other party had no reasonable cause to believe otherwise, the contract cannot be avoided, if fair and beneficial, unless other party can be restored to his former position. Also, the contract is valid if made in a lucid interval. Mental weakness, not amounting to inability to comprehend transaction and give rational assent thereto, is not ground for avoiding the contract, unless accompanied by fraud, imposition or undue influence. A voidable contract may be avoided in a lucid interval, or upon recovering mental capacity,

James B. Cullison, Jr., is hail manager for the North America, Springfield, Aetna and allied companies. He is one of the foremost authorities on the hail policy, his experience covering both a legal background and a broad training in the hail insurance field. Mr. Cullison here analyzes the hail insurance policy in detail, presenting one of the most comprehensive analyses of the policy ever published. This analysis was given by Mr. Cullison at the regional meetings of the Hail Underwriters Association and was heartily received by all in the field, as it clarifies the various phases of the contract and their relation to the business as a whole. Mr. Cullison's remarks were prefaced by a brief summary of the history of hail insurance, showing its relativity to the insurance business as a whole and thus the need for an appreciation of the business by all insurance men.

In this discussion of the hail policy Mr. Cullison removes all of the mystery surrounding the interpretation of the hail policy and presents it in a form that even the layman can adequately understand.



JAMES B. CULLISON, JR.

or by his guardian, conservator, heirs, or personal representative.

Persons under conservators—(As where adjudged insane, idiot, feeble-minded or spendthrift), lack capacity and their contracts are void.

Drunkards—If contract is made while so much under the influence of intoxicants or drugs as to be incapable of understanding its nature, it is voidable upon restoration of the consideration received.

Application Covers Offer and Acceptance Requirements

Married women—Married women were incapable of contracting at common law, but their disabilities have been largely removed by statute in all states.

Corporations—Corporations can contract only within scope of powers conferred by their charters. A contract is

within such powers when directly authorized, or necessary or reasonably incidental to exercise of a power conferred, or required or reasonably appropriate in furtherance of the general corporate purposes and not prohibited by the charter, general law or public policy.

"Mutual agreement" results from an offer and acceptance. Both parties must assent to the same thing in the same sense. There is no contract as to any terms not settled, if no mode of settlement is agreed upon. The offer must show intent to create legal relations. Jest or statement of intention to act in a certain manner, not showing intention to incur legal obligation to do so, is not a binding offer. Invitations to bid, inquiries, etc., are not offers, but mere requests for offers.

Since Hail Insurance is predicated on a written application which is executed

in duplicate, the requirements as to offer and acceptance are fully covered in the application, and when same is signed by the applicant and the agent of the company, and settlement of premium is made by the applicant, the contract is completed. In short, the signature shows assent to the terms of the contract. Any signature, initials, marks, Christian name, surname, English translation of name, etc., is sufficient as a signature if it is clearly intended as authentication of the execution of the contract.

General Grouping of Policy Provisions

For purposes of discussion, the main provisions of the general form hail policy may be conveniently classified under the following headings: 1. The parties to the contract, including insurable interest and agency; 2. the description of the property; 3. the risk assumed; 4. the term of the contract, involving assumption of liability, expiration of liability and cancellation; 5. other insurance on same property, involving contribution; 6. endorsement granting special privileges, or imposing restrictions; 7. provisions applying after a loss has occurred.

As regards each of these groups, the provisions of the policy will be discussed with reference to their purpose and meaning and the most important interpretations that have been placed upon them by the courts.

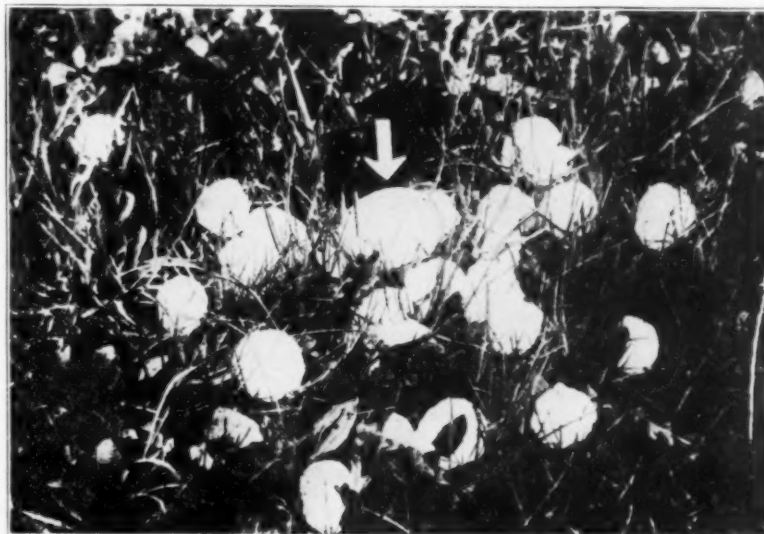
Insofar as the parties to the contract are concerned, it must be borne in mind, that the policy is essentially a personal contract, and that to eliminate the moral hazard, as much as possible, it is important that the insured should have a pecuniary interest in the property which he wishes to insure. Hail policies are contracts for indemnity and not for profit. Where the insured has no insurable interest in the property covered by the policy there can be no loss, and hence no indemnity.

Insurable Interest Defined and Explained

"Insurable interest"—Insurable interest as applied to fire insurance contracts has been defined as "Every interest in property or in relation thereto, or liability in respect thereof, of such a nature that a contemplated peril may directly indemnify the insured. It will be noted that the definition is exceedingly broad in scope and that insurable interest does not necessarily apply ownership or possession of the property. Here it should be stated however, that the interest which may be insured must be neither illegal nor immoral. It may, however, be either legal or equitable, but it is not necessary that the party should have either legal or equitable title to the property. The interest may be either conditional or contingent, therefore, an insurable interest may assume hundreds of forms and may exist under very different conditions. The principal examples as given by Professor Heubner in his book on property insurance; are:

(1) Ownership or possession—(a) Those having legal title to property; (b) those having equitable title to property; (c) those in possession under an illegal or defective title; (d) those in possession, with a claim of title until the same is judicially held invalid; (e) lessee, in property held under lease; (f) mortgagor, to the full value of property mortgaged; (g) partners, in the firm's property; (i) part owners, in their respective interests; (j) vendee in possession, or when obligated to pay the purchase price; (k) vendor, until final transfer takes place.

(2) Custodians of property entrusted to their care (to the extent of their interest or liability): (a) Administrators of estates; (b) agents or factors, in property held for principal; (c) as-



This is not a nest of eggs discovered in some outlying part of a farm yard. There is an egg in the center, designated by the arrow, but the remaining objects are large hailstones which fell at Harvey, Ill., during a hailstorm which swept the Chicago territory in the latter part of May last year. This gives an indication of the possible damage from this source. When hailstones of this size fall, even for only a few moments, extensive crops and property damage will certainly be incurred. Hailstones of this size and even larger are constantly reported in all sections of the country. (P. & A. Photo)

signees in insolvency; (d) trustees; (e) receivers; (f) common carriers; (g) warehousemen; (h) commission merchants.

(3) Creditor or debtor relations: (a) judgment or attaching creditors; (b) mortgagee, to extent of mortgage debt; (c) debtors, in property seized for debt; (d) endorser and sureties, in property of the guaranteed; (e) pledgees, to value of goods held in pledge; (f) those who have, with consent, expended money upon other persons property.

(4) Contract rights, whose value depends upon preservation of property: (a) Contractors, when payment is deferred until contract is completed; (b) consignees of goods; (c) consignors of goods; (d) patentees, with contract for royalties; (e) insurers, in property re-insured.

(5) Other leading instances: (a) Beneficiaries, in property by which they are to benefit; (b) stockholders, in the corporate property; (c) tenants for life.

Varying Form Title of Insured

Robert P. Barbour in his book, "The Agent's Key to Fire Insurance," in dis-



This Minnesota grain field was swept so thoroughly by the late summer hailstorms that the field had every appearance of the harvest season. The condition of the field just prior to the storm is indicated by the height of the grain which is being held in the hand of the adjuster. This growth of some 30 inches in height was beaten to the ground and cut as neatly as by the harvesting machine. This type of harvesting, however, means an empty pocket-book for the farmer who does not have hail insurance. (America Fore Photo)

cussing the subject of "Title of the Insured," states in part as follows: "It is customary in writing the title of a policy in the name of an individual to use one of the given names of the Insured, and if in the name of a married woman, use her given name."

The following are examples of familiar titles: (a) John R. Doe; (b) John R. Doe and Richard Roe, as interest may appear; (c) Doe & Roe, as now or hereafter constituted; (d) The Roe Engineering Co., Inc.; (e) Richard E. Roe & The Roe Engineering Co., Inc., as interest may appear; (f) John R. Doe, Contractor, & Richard E. Roe, as interest may appear; (g) John R. Doe, Referee (or Trustee) in bankruptcy for Richard E. Roe; (h) John R. Doe, as Trustee for whom it may concern; (i) John R. Doe, for account of whom it may concern; (j) John R. Doe, as

Disastrous Hail Losses

THE subjoined list shows the most disastrous hailstorms in 1926, as reported to the United States Weather Bureau. These are only the storms which resulted in crop and property loss of over \$50,000 and thus constitute but a small majority of the total hailstorms of the year. The extent of the damage done by hailstones can be seen, however, from the total of these storm losses, as these 51 storms here listed resulted in almost as much property loss as the total payment under hail insurance in the United States. Adding to this short list the tremendous list of local hailstorms throughout the country, either incurring less than the \$50,000 damage or unreported to the Weather Bureau, an impressive picture of hail damage is shown. It is also interesting to note that the disastrous storms extend from March through October. Practically all sections of the country are subject to these storms. These 51 storms are as follows:

Location	Date	Loss	Remarks
Weslertka, Okla.	March 19	\$ 50,000	Heavy damage over 4 miles.
Laredo, Tex.	April 6	215,000	16 to 18 inches deep.
Eastern Okla.	April 23	50,000	Trees, crops, prop. damage.
Tehachapi, Cal.	April 29	90,000	Orchards.
Sutter Co., Cal.	May 7	250,000	Peaches.
Garvin Co., Okla.	May 8	100,000	Crop and property damage.
Pratt Co., Kan.	May 8	350,000	Wheat damage over 85 mi.
Dallas, Tex.	May 8	875,000	Crops and property.
Horatio, Ark.	May 9	50,000	Crops.
Charleston, Mo.	May 9	60,000	Crops and property.
Kaufman, Tex.	May 9	115,000	Crops and property.
Ballard, Ky.	May 9	60,000	Crops and property.
Western Tenn.	May 9	100,000	Crops and property.
Grayson Co., Tex. (etc.)	May 10	1,713,000	Heavy crop loss.
Roane Co., Tex.	May 11	150,000	Peaches and strawberries.
Chesterfield, S. C.	May 11	50,000	Young crops.
Taylor Co., Tex. (etc.)	May 18	86,000	Crops and trees.
Newcastle Co., Del.	May 19	50,000	Crops and property.
Sedgwick Co., Kans.	May 28	100,000	Wheat over 16 miles.
Fort Stockton, Tex.	May 29	110,000	Crops over 10 miles.
Jewell Co., Kan. (etc.)	June 1	225,000	Wheat and oats.
Pawnee Co., Kan.	June 1	75,000	Wheat (10 to 100% loss).
Taylor Co., Tex.	June 2	200,000	Crops and property.
Cumberland Co., N. J.	June 7	150,000	Fruit.
Bremer Co., Ia. (etc.)	June 11	70,000	Crops.
Polk Co., Ia.	June 13	50,000	Crops over 50 square miles.
Ablene, Tex.	June 14	60,000	Crops & prop. (20 mi. long).
Davidson, Okla.	June 14	90,000	Crops and property.
Cheyenne, Wyo.	June 14	140,000	Crops and property.
No. Platte Valley, Neb.	June 15	500,000	Hay, corn, grain.
Butler Co., Ia.	July 1	65,000	Crops and property.
Cherry Co., Neb.	July 1	150,000	Crops and property.
Columbia, Tenn.	July 2	55,000	Crops and property.
Sioux City, Ia.	July 4	64,000	Crops and property.
Blaine Co., Okla.	July 10	250,000	Crops and property.
Claborn Co., Tenn.	July 10	50,000	Crops and property.
Fremont Co., Ia.	July 12	112,500	Crops and property.
Weatherford, Tex.	July 12	500,000	Cotton and corn.
Spooner, Wis.	July 16	50,000	Crops.
Garrett Co., Md.	July 18	100,000	Orchards and property.
Preston Co., W. Va.	July 18	200,000	Crops and property.
Van Wert Co., Ohio.	July 18	455,000	Crops.
Altus, Okla.	July 21	50,000	Crops.
Romney, W. Va.	July 23	75,000	Crops and property.
Rockingham Co., Va.	July 23	100,000	Crops.
Boone Co., Ia. (etc.)	July 27	860,000	Crops.
Lenawee Co., Mich.	August 6	100,000	Crops and fruit.
Cherry Co., Neb. (etc.)	August 9	150,000	Crops and property.
Mitchell Co., Ia.	August 20	50,000	Crops.
Stratton Co., Neb.	Sept. 3	60,000	Crops.
Rosenberg, Tex. (etc.)	Oct. 23	100,000	Cotton and crops.
51 Hail Storms	1926	\$9,675,500	Crop damage.

Trustee (or Guardian) for Richard E. Roe (infant); (k) John R. Doe, Executor (or Administrator) of Richard E. Roe, deceased; (l) John R. Doe, Kate S. Roe, and Kate S. Roe, as Trustee (or Guardian) for Arthur T. Roe, infant, heirs of James C. Roe, deceased; (m) Estate of James C. Roe, deceased; (n) Heirs of James C. Roe, deceased.

"As Interest May Appear" Is Defined

"As interest may appear"—This phrase is often used where owner and lienor, owner and contractor, owner and tenant, or vendor and vendee desire protection under one policy. By so doing, two interests are covered without stating precise interest of each. It relieves the Insured from the warranty as to sole and unconditional ownership. The phrase should not be used indiscriminately, but there is really no harm in its use and there are circumstances when it is advisable, if not necessary. When used, it gives each interested the right to demand payment individually if a loss be sustained in accordance with the terms and conditions of the policy to the property owned by such interest. This right is very seldom exercised, for insurance companies customarily pay a loss by draft made to the several interests as designated in the policy, leaving a division of the money to those entitled

thereto. Such loss drafts should, of course, be endorsed by all parties at interest.

"As now or may be hereafter constituted"—This phrase is used in order to keep the insurance valid, or avoid possible dispute, in case of changes in name or personnel of the insured which might involve a change of interest. For example: If a co-partnership takes in a new partner the interest is held to be changed, but not if a partner retires, nor if, without new partners, the firm name changes. In the latter case, however, it is usually desirable to change the title of the insured.

"Estate"—In writing insurance for an estate, it is never advisable, if it can be avoided, to write it as in the last two titles given in the foregoing list, for the reason that if loss occurs the insurance company will not know to whom loss should be payable except by evidence outside of the policy contract, and sometimes it is difficult to get a satisfactory release of the insurance company's obligation to pay the amount of any loss to heirs, or others, who may have an interest in the property covered. This would be especially true where a policy would be written under the title of "Estate of James P. Roe, deceased," and it is found that the insured has left no will. The question then arises, "Who are the heirs and who is entitled

to an interest in the estate?" And the company, in order to safeguard its interests, would, of course, not pay any loss until the question is answered, probably by a court. If it is necessary to insure property in the name of the estate of a deceased person where there is no will, it is best to insert a condition after this form: "Loss, if any, to be adjusted with, payable to and recoverable by John R. Doe, and by him only," that is, by substituting for John R. Doe the name of some person representing all parties in interest, or at least those thereof at whose instance the insurance is procured.

"For whom it may concern"—This phrase is usually intended for use when "John R. Doe" (the insured specifically named) desires to protect by insurance other and various parties, who it may be are constantly changing. It is held that the interests protected by these words must be such interests as were contemplated by the one securing the policy; they need not necessarily be particular individuals, but may be a certain class of individuals. As illustrated: Insurance taken out in the name of an owner of an elevator or cold storage



This is a striking photo of a hail swept field, showing the completeness of the destruction. The adjuster is holding upright one of the broken stalks, showing that it reaches to his shoulder. This entire field, carrying as far as the eye can see, was this height, and after only a few minutes of hail, was leveled to the ground. Again, this was a thorough harvesting of the crop, but a type of harvesting that is without profit to the farmer and landowner who is uninsured. (America Fore Photo)

plant covers grain or produce by who ever owns it while contained therein.

This phrase will protect those intended to be covered who have property involved in a loss, regardless of whether they had an interest at the time the insurance was taken out, or acquired it subsequently; it gives each such owner the same right as do the words, "Held in trust," that is, subsequent to a loss they may ratify the insurance even though previously ignorant of its existence, and take the benefit thereof.

Policies written in the name of "John R. Doe, for account of whom it may concern," should have a clause inserted, reading, "Loss, if any, to be adjusted with, payable to and recoverable by John R. Doe, and by him only," and should also exclude property specifically insured.

(CONTINUED ON PAGE 20)

The Adjuster in the Field

By S. K. BJORNSON

THE fact that hail insurance has shown a consistent underwriting loss for several years naturally brings up the question "What is wrong with Hail Insurance?" The trouble is not with hail insurance at all, but rather is due to the human equation which is always inseparably a factor in all lines of business.

Authorities generally agreed that in fire insurance at least 30 percent of all paid claims are moral hazard losses. In other words, of the \$420,000,000 paid by insurance companies for American fire losses during the year 1926, at least \$126,000,000 went for the payment of moral hazard losses.

Moral Hazard No Worse than Fire Insurance

If this 30 percent ratio is true in the fire insurance business, equipped as it is—with fire marshals, inspection bureaus, credit reports, rating organizations, etc.—to combat such evils, then it would be strange, indeed, to find a smaller ratio of similar loss claims in the hail business. Whether this hazard be described by means of the term used by fire underwriters as "moral hazard," or some other term, makes but little difference. The fact will remain that a similar hazard will be found, and is found, in the hail business.

While it is true an insured cannot cause a hailstorm, he can very easily file a claim for damage which is not caused by hail. In fact, all hail insurance men know such claims are quite numerous, and, sad to say, have in the past, in too many instances, been conducive of the results hoped for by unscrupulous insureds.

Public Should See Their Own Interest

If our indispensable friends, the insuring public, as well as those who are engaged in the insurance business, whether as local agents, special agents, or adjusters, would clearly understand and keep before them the fact that it is the public that foots the bill for hail insurance losses the average citizen, including those engaged in the business, might hesitate in passing judgment and perhaps change the question so it would be "what is the matter with us."

People who have an unfortunately improper view and conception of the purpose and functions of insurance must be educated to a point where they will realize that a constant increase of fictitious claims and payment of claims that do not warrant recognition cannot continue to go on increasingly each year without the public having to pay a higher rate to cover the increasing losses and expenses connected therewith. The people who work on the theory that the insurance company pays the bills might change their attitude if they realized fully the results to them individually of such indulgence in the matter of irrelevant loss payments.

Result Is Bad For All Concerned

In practically every state where any volume of hail insurance is written, there are areas where the business has become so notably unprofitable that practically all companies have ceased doing business in such territory. This state of affairs has in most cases been brought about by the companies themselves through the careless handling of losses. The result is that the companies lose an opportunity to considerably augment their premium income, the local agents in the territory lose an opportunity to earn commissions, and the farmers are denied an opportunity to buy hail insurance.

The rates for hail insurance are predicated entirely upon the agreements contained in the policy contract and

their application to the loss experience of the past. It naturally follows that losses must be adjusted properly and according to the policy if rates are to remain at a level where the farmer can afford to buy hail insurance and the company can afford to write the business.

Unfortunately, many people have an idea—as they express it—that "There is nothing to the hail business" and such being the case for those who have that idea there very evidently is not much to be done.

Situation Is Result Of Long Development

In the analysis and summing up of the situation, if we may be permitted to apply a military term to a supposedly peace time occupation, a knowledge of the progress and conditions leading up to the present situation is necessary in order to have a basis from which to proceed.

Hail insurance, according to records, was first written in the United States about 1880. It was about 1883 when the first stock company policy was issued. In 1900 the records disclose only two stock companies writing hail insurance; in 1910 five stock companies engaged in the business and in 1915 about 35 stock companies were writing hail insurance on growing crops. The real troubles of the business did not appear serious prior to 1911 and 1912. As nearly as can be determined the total premiums written by the five stock companies engaged in the business in 1910 amounted to about \$750,000, which is considerably less than is now written by any one of several offices. The companies wrote only small lines and as a result active agents had no difficulty in writing their commitment. Rather, it may be said that agents had consider-

able difficulty in placing their business. In fact, there were actual cases where following the long looked-for spring rains farmers would stand in line at an agent's office in an effort to get hail insurance.

Confusion Followed Rush for Business

In 1913 and 1914 a number of new companies entered the field and in many cases were not able to secure the services of anyone experienced in the business. In some cases the results, even without experienced help, were so satisfactory that others were attracted who without intention added to the confusion. An avalanche of losses necessitated the use of inexperienced adjusters. A desire for a big volume of business tempted some company representatives to make promises and adopt practices injurious to the business and carelessly liberal adjustments, some times deliberately made in an effort to influence business, together with other factors, led to the very unsatisfactory conditions of late years.

First Encouragement Was Seen Last Year

A real effort to place hail insurance on its feet, so to speak, was first made about four years ago, but it is hard work and slow work to rebuild out of ruins and the results were not immediately apparent. In fact, the 1926 season gave the first unmistakable encouragement that conditions are slowly improving and that with proper methods and proper cooperation success may be hoped for.

Insurance men generally and those actively engaged in the business particularly, are learning that there is "something to the hail business"; that it is legitimate business with its own pe-

culiar problems, in addition to the problems common to all insurance; that these particular problems of the business can, if given proper study, be solved satisfactorily just as all other problems can be solved if only given proper thought and attention.

Education of All Parties Now Necessary

It may be safely said that the biggest task confronting the business today is one of education and enlightenment—not only of company representatives and local agents, but through them to educate the public so they may know and realize their relationship to the business. To arrive at a successful solution, those engaged in the business must be sincere and fair in their dealings, not only with the public, but with their agents, their own companies and their competitors.

The work now being done cannot be successful unless the loss adjustments are properly and uniformly handled by adjusters who are qualified through training and experience and of a disposition to take their work seriously and cooperate to the fullest extent in the proper discharge of an exacting duty.

Adjuster's Task Is Not an Easy One

It is relatively easy to "settle losses," but an adjuster's work is not to settle but to adjust according to the terms of a definite agreement and do so in a manner fair to all parties concerned according to terms set forth in a contract subscribed to by the insured and the company. An adjuster must have enough vision to understand and see the necessity for doing well and as directed the task assigned to him and at the same time practical enough not to attempt to handle a loss unless he knows everything worth knowing about the particular crop he is going to adjust. He must have a thorough, exact, practical and scientific knowledge of crop diseases, insect enemies, cultural practices, marketing and general farming conditions. He must never hesitate to defer an adjustment when confronted with a crop or particular problem with which he is not thoroughly familiar.

The various bulletins published by the United States Department of Agriculture and by State Agricultural Colleges and Experiment Stations are the most authentic and convincing information obtainable as to the various damages by insects, disease, etc. Such publications are upon occasion very valuable and helpful to an adjuster, particularly where he has to contend with damage other than hail. A small pocket magnifying glass is a great aid in discerning damage by insects, wind, disease, rodents, etc., and particularly helpful in demonstrating to the insured and in proving to him the nature of such damage.

Knowledge of the Policy Is Basic

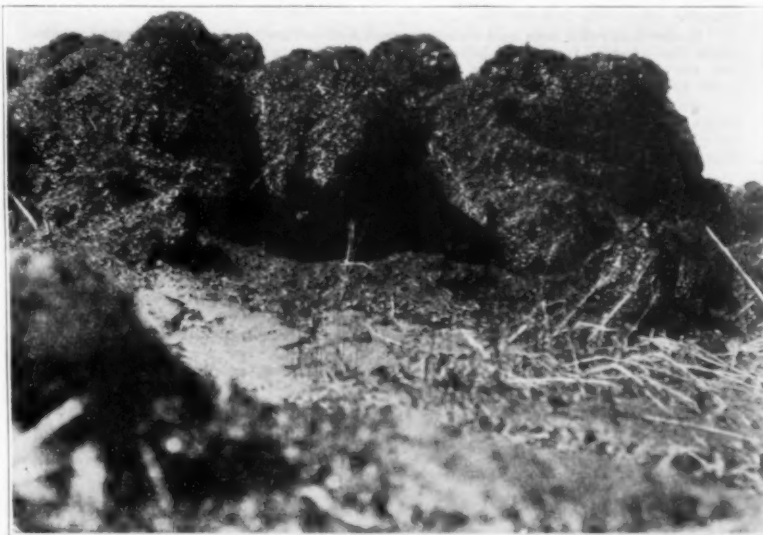
An adjuster must have a positive knowledge and understanding of the policy contract, its interpretation and application; he should bear in mind that many of the policy stipulations and agreements are in a sense defensive. In other words, they serve to protect the rights of the contracting parties in an equitable manner when certain unusual contingencies arise.

The adjuster must understand human nature and be able to present his case convincingly with demonstrative proof without incurring the insured's enmity. A high-handed "take it or leave it" attitude on the part of the adjuster is sure to lead him into difficulties that in the long run will prove expensive to the company that he is working for. Much more may be accomplished in a few moments of intelligent and convincing demonstration than by any amount of argument which reflects only the opinion of the parties engaged in it.

All Companies Wish to Pay Just Losses

There is no more disposition on the part of the insurance companies to underpay their losses than to overpay them. All companies in the business want to pay every honest loss dollar for dollar, but they want to know and have a right to know, when a proof of loss comes in

(CONTINUED ON PAGE 34)



This is not a windblown haystack or a rain washed hillside, but a huge mound of hailstones. These hailstones are piled 12 to 14 feet deep, the result of a hailstorm which swept South Dakota and amassed this accumulation of hailstones in a ravine. In this storm animals were buried completely and trees wholly wrecked, in addition to serious crop damage. The illustration of 12 to 14 feet of hailstones indicates what damage could be done in the vicinity of a storm of this severity. (Photo Hartford Fire)

Why the Adjuster's Work Sheet?

By JACOB NELSON

ONE of the most reprehensible features in connection with hail adjustment procedure in the past has been the variation in methods used by different adjusters. No insured has known definitely how his loss would be adjusted and after observing the different methods of approach and the very marked discrepancy in the awards made by various men in the same fields and under the same conditions, the average farmer has concluded that a hail adjustment is just a guess at the best and naturally considers his guess as good as that of the adjuster. That impression unfortunately prevails not only among farmers but among some agents and company men as well and can only be removed by the adoption of uniform practices among all adjusters.

First Essential Is Estimate of Percentage

The hail policy is a percentage policy and the loss must be determined by applying the percentage of straws, plants or individuals destroyed to the amount of insurance carried, provided that such insurance does not exceed the value of the crop destroyed. Since the terms of the hail policy contract have been thoroughly explained to you and you have been definitely instructed as to the proper procedure in event of overinsurance and in determining other vital factors relating to the liability of the company, this discussion will deal with the method of determining percentage damage and we will proceed on the assumption that all circumstances in connection with the loss are regular.

At Least Five Tests Needed in Each Field

What is percentage? It is defined in Webster's Dictionary as a part or proportion of a whole. How can it be determined? By dividing the number of individuals on which percentage is desired by the total number comprising the whole. Any other method of arriving at percentage is erroneous and should be avoided if the integrity of our contract is to be maintained. For convenience sake, we use the arbitrary figure of 100 as the whole and consequently the number of individuals in 100 that are totally destroyed represent the percentage damage. However, one count or test in a field does not reflect the damage over the entire field with accuracy, but the more tests you make the more accurate the average will become. As a rule, an adjuster should make no less than five tests in an ordinary sized field and a great many more in larger or irregularly shaped fields. That is a matter which must be left to your good judgment and common sense.

Work Sheet Is Arranged for This

In order that your counts or tests may be properly recorded, a form has been prepared which is called the "Hail Loss Work Sheet." A special form will be used for small grain losses, one for corn losses and one for fruit losses. If it becomes necessary to devise additional forms to cover other classes of crops, they will be prepared later. The work sheets are of a convenient size to be carried in the coat pocket and the book contains a tissue sheet which remains bound in the book as the adjuster's permanent record of his work. Adjusters should keep these records for at least two years. Entries on this sheet should be made in the field at the conclusion of each test—not at the hotel or from memory. After filling in the necessary identifying information at the head of the sheet, enter your estimate of yield in terms used for that particular crop, such as bushels of grain, tons of alfalfa, barrels of apples, crates of berries, etc. Follow the printed instructions on both



JACOB NELSON

Jacob Nelson is manager of the hail department of the America Fore companies and a member of the special advisory committee of the Hail Association. Mr. Nelson's attention in the association work has been directed particularly to the adjuster's work sheet, and in this article, which is the substance of his talks to the adjusters, he explains in detail the use of this work sheet and the reason for its adoption. The advantage of uniformity is clearly brought out and the effect on uniformity of this new work sheet is shown. This discussion gives the adjuster detailed directions as to the use of the sheet and the proper handling of adjustments to the satisfaction of all parties interested.

sides of the book cover and make entries in every column where entries are to be made.

When test No. 1 has been completed, write the numeral 1 on the diagram in the approximate location where the test was made. Follow the same procedure with the remaining tests. This method will enable the adjuster on a subsequent loss to make his counts in approximately the same locations where yours were

made, and will automatically correct an overpayment which may have been inadvertently made by the first adjuster. Damage from causes other than hail must also be shown, because there are few fields that do not contain some damage from insect and animal pests, plant diseases, wind, rain, drouth, etc. All competent adjusters keep in touch with crop conditions in their territory and are constantly receiving bulletins from

the various agricultural colleges, experiment stations and other recognized authorities in this respect. The hail policy covers direct damage by hail only and injury from other causes must be eliminated—otherwise we will be placed in the position of assuming a liability that is not contemplated in the hail contract or in the hail rates. While the percentage damage from agencies other than hail does not enter into your average hail loss figure, still it should be clearly indicated as a protective measure in the event of future complications.

Should Secure the Cooperation of Assured

Explain every step of the adjustment procedure to the insured as you go along. Keep on testing until the insured agrees that a fair average has been secured. If the insured assists you in making the counts—and it is desirable that he should—then he cannot dispute the accuracy of your tests. Add up the total number of individuals out of each one hundred destroyed by hail and divide by the number of tests made, and you will have the correct percentage loss. Agree with him on the individual counts when made and when you have finished it will not be difficult to get his signature on the work sheet. When that is accomplished your adjustment is made.

Reference to Money Should Be Avoided

Avoid all reference to money award while making tests, because you must first determine the percentage damage before you can translate it into terms of dollars on the proof of loss. Be fair and honest with your tests, because the companies have no desire to withhold from any insured money that is justly due him, neither do they wish to pay him a dollar more than he has coming. Having arrived at the percentage of loss stand on it. If it amounts to 19.5 percent, do not make it 20 percent in the proof. Do you know that an average overpayment of 1 percent on a loss means 5 percent on the premium income? Since very few, if any, of the companies have made a profit of 5 percent in the hail business during recent years, these seemingly small overpayments of 1 percent here and there may well represent the difference between profit and loss. After a fire adjustment has been made on the basis of actual loss sustained or of the replacement cost, does the fire adjuster add \$50 or so, or two or three percent in order to satisfy the insured? You know he doesn't. Then why should a hail adjuster deviate in any manner from the actual percentage damage as shown by his work sheet?

Main Thing Is to Avoid Guess Work

If, for any reason, tests cannot be made, there is room on the form to explain fully, but such instances are rare. The main thing is to avoid guess work. If the crops are in a stage of growth or development which makes an accurate adjustment impossible or impractical at the time of your first visit, go away and leave them. Agents and insureds both know that the companies are responsible, so will not, as a rule, object to deferring any adjustment if it cannot be accurately made on first inspection. When the time comes that every hail adjuster follows the same method of adjusting a loss and carefully counts it out in the presence of the insured, 50 percent of our hail troubles will be over. About the only valid objection made to the foregoing method of adjustment is that it takes up too much of the adjuster's time. I sincerely hope that it reduces the speed used in the past. A fire loss involving \$5,000 sometimes takes several days' time and painstaking effort on the part of the adjuster, but hail men have fre-

GENERAL INSTRUCTIONS (Outside Front Cover—Work Sheet)

Separate tests must be made for each kind of crop and for each separate field of the same kind of crop. When it is found necessary to divide a field tests must be made in each portion. Use two or more Hail Loss Work Sheets if necessary. Care must be exercised in making this report to show on the diagram the field or fields adjusted or inspected. Designate on the diagram with the numeral of the test number the location where each test was made. In case of second loss tests should be made as nearly as possible in the location where tests for first loss were made. This report must be made up fully and carefully in every instance where any loss is present, even though no award is made. State on back of Work Sheet any fact or unusual circumstances affecting this claim.

If the awarded loss and damage does not correspond to the results of the tests the reason for such difference should be stated. When crops are not far enough advanced, or for any other reason tests cannot be made, then such reason must be stated.

This report must in all instances be properly filled in, signed by the adjuster and by the insured and attached to the loss papers. Draft will not be issued unless this report, signed by the adjuster and by the insured, is received. Use separate sheet for each loss and policy.

SMALL GRAIN LOSSES (Inside Cover—Work Sheet)

Hail losses to small grain crops will usually be caused by breaking of the stalks and in extraordinary cases by shattering or shelling out of the kernels from the head. In figuring loss on ripe grain crops the heads, even though the stem is broken, if the heads can be salvaged during the course of usual harvesting operations, must be figured as salvage and all such salvage must be deducted from the gross breakage in order to determine the net breakage loss.

e. g. 40 broken straws—10 ripe heads can be salvaged—Net breakage loss would be 40 minus 10 or 30%.

If shatter loss, caused by hail, is found to be present, the percent of such loss must be arrived at by count, and if by count in the head, deduction made for shatter on broken straws which cannot be salvaged as well as shatter from other causes, for a 100% loss has already been allowed on every broken stalk which cannot be salvaged.

e. g. Gross shatter loss 5%—Deduct percent shatter on broken straws 1.05%—Deduct shatter by causes other than hail 1%, Net shatter by hail would be 5% minus 1.05% minus 1% or 2.95%.

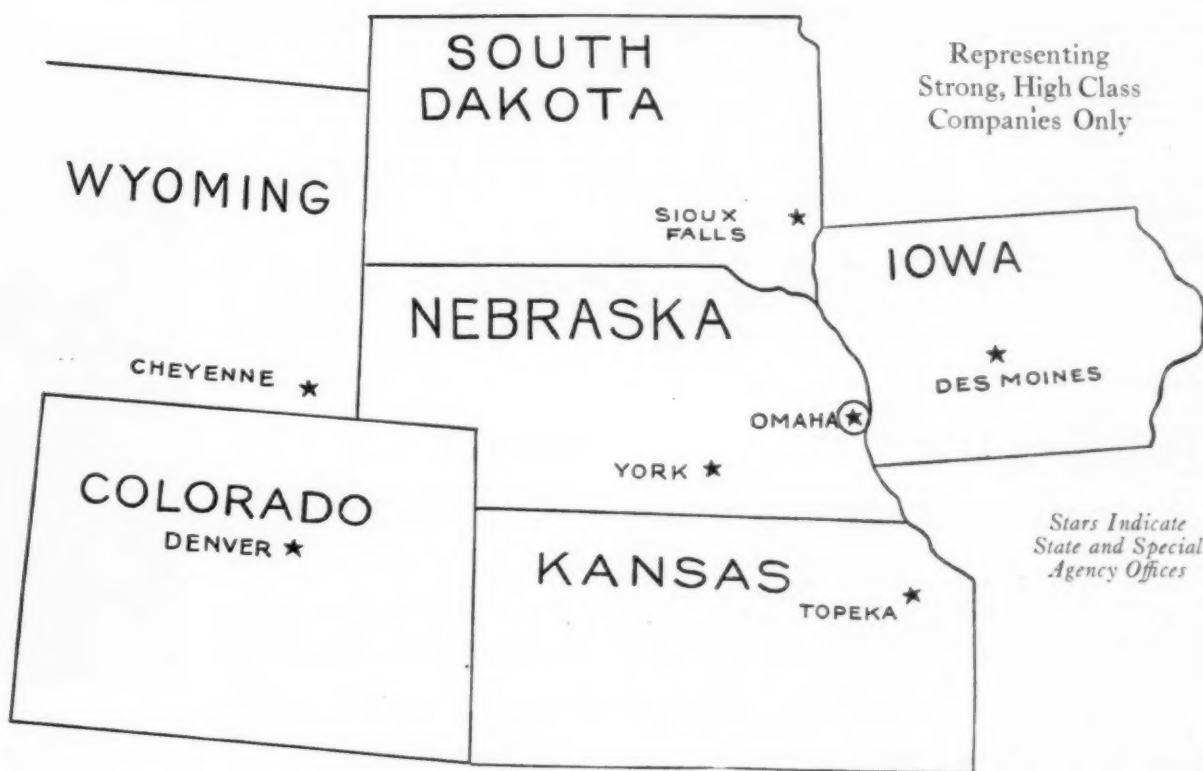
Where shatter loss is arrived at by ground test, the percent of shatter loss so found must be applied to the sound crop remaining after deducting allowance for breakage. Thus, if breakage loss of 21% has been allowed and the ground test indicates a 4% shatter loss, the 4% shatter loss must be applied to the 79% crop (arrived at by deducting breakage loss on which total loss has been allowed, from the whole crop) and the result, which would be 3.16% shatter loss plus the 21% breakage loss or a total of 24.16% would be the total percent of hail loss in the field.

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quently cleaned up losses of that size in a few hours' time. Our former methods are not logical any way you look at them. The same kind of dollars are used in paying hail losses as are used in paying fire losses and the hail dollars should naturally be safeguarded in a similar manner.

Warns of "Multiple of Five" Adjustments

Right here I should like to pay my respects to the adjuster whose awards always show multiples of 5 percent. How many times will a correct percentage count come out in multiples of 5, such as 5 percent—10 percent—25 percent, etc.? Rarely, if ever. It is a mathematical impossibility. How then, can one help but conclude that "multiple of five" adjustments are incorrect and reflect a "settlement" rather than an adjustment? Is there any man so experienced in hail adjustment work and possessed of such a keen and discerning eye that he can walk upright through a field or view it from the roadside and determine accurately what the percentage damage is? I doubt it. My personal opinion is that the average adjuster must get right down in the dirt and count it out. By so doing he will not only arrive at the actual percentage damage, but will earn the respect of the insured as well as that of our agent. The job of a hail adjuster is no easy one. It entails long hours of strenuous work and requires years of experience in addition to the necessary mental and physical equipment in order to qualify. The position is of extreme importance, because the only personal contact between the company and its policyholder is established by the adjuster in event of loss. Agency relations should not be taken into consideration when adjusting hail losses, because the same treatment should be accorded the agent who writes \$100 in premiums as the one who produces \$10,000.

Adjusters Should Not Consider Future Business

Let no thought of what effect your adjustments may have on future business in the vicinity influence your work in the slightest degree. If the loss is adjusted carefully and in strict accordance with the terms of our policy contract your duties have been faithfully performed. Upon your work, therefore, rests the future of the hail business, not only because of the effect that your adjustments may have on the immediate loss record of the individual company by whom you are employed, but from the favorable or unfavorable reaction upon the business as a whole which is bound to result from your work in a community. If your duties are performed in a proper manner, the business of hail insurance will be perpetuated and you will continue to receive profitable employment. Carelessness, incompetency, laziness and dishonesty spell disaster for us all.

CLEANING UP THE FIELD OF HAIL ADJUSTMENTS

By JOHN PETERSON

It is gratifying to feel that the companies have now reached a conclusion as to causes of the major part of their troubles in the hail business, there being a consensus of opinion that our troubles began soon after the influx of new companies in the business during 1910. Our major disaster came to us in 1915 and 1916 out of conditions other than those causing legitimate hail losses alone. Hail was the minor feature of our losses those years largely, if not wholly, because of the fact that we were all inexperienced, or enough so that we were unable to meet the situation brought about by the unusual conditions in accordance with our policy contract.

Moral Hazard Had Become Big Factor

Soon thereafter considerable moral hazard began to creep into the business and until a few years ago we were drifting along with men who were inexperienced and developed slowly. The field forces seemed to have had no appreciation of the need for uniformity in handling the business in the field. This

written and properly explained when the contract is placed will cause very little, if any, trouble thereafter. The remark is often made that "hail insurance properly sold is 75 percent adjusted when it comes to a loss." How true this statement is!

Knowledge of Crops and Locality Needed

A hail man whether he be a special agent or adjuster must know crop conditions and conditions of the locality so that he will be in a position to analyze a loss and properly explain it. It has been noticed heretofore where an adjuster had these qualifications there was little if any trouble. He must, in common parlance, "talk the language" of the claimant.

We have reason to believe that a large portion of our agents and assureds feel that a loss should be adjusted on its merits. In order to get this result our adjusters must be experienced so that they know how to examine the fields; be able to explain the damage as it appears and what might develop under

John Peterson is manager of the hail department of the Great American and a member of the special advisory committee of the Hail Association. Mr. Peterson had directly in charge the ironing out of the adjustment difficulties in Colorado last year, so that he is particularly in a position to review the status of hail losses and adjustments which he does in this discussion.

brought on dissatisfaction in every way and to everyone interested, company officials, field force, local agents and insurers, and we have had a world of uphill work in bringing about such an understanding on the part of all that we can now feel these conditions are rapidly being eliminated.

Are Now at Work in Righting Conditions

About four years ago we started to intelligently analyze this business with the assistance of statistics on losses by counties, townships and by various other means and information that could be gathered from group meetings of field men and adjusters. With this information, a program of operation was definitely outlined and is now being communicated to all of the men interested in the hail business with apparently results gratifying to all; in fact more than could be expected in so short a period of time. In order to continue the betterment of the hail business we must have more uniform instructions to the agent in proper selling methods so that he can and will fully explain the contract and its operation. Business properly

various weather conditions. We are now in a position to furnish this information so that an adjuster can familiarize himself from past experience, but first of all he must have common sense and good judgment. No amount of training or technical knowledge can atone for the lack of those qualifications.

Adjustments Difficult Unless Properly Trained

We have statistics on the various localities and we have information of each kind of insect and disease damaging crops which can be obtained readily by any adjuster who cares to avail himself of such data. There are very few, if any, of those pests which cause damage to a grain crop similar to hail injury and there is no reason why such damage or deterioration should be considered as a hail loss, yet unless adjuster is properly informed difficulty is sure in separating real hail damage from the apparent.

The writing of hail insurance, we believe, is being put on a better basis of operation from time to time as conditions arise. The moral hazard has been no small item in creating excess loss ratio, causing us to assess the better class of assureds because of the dishonest minority in any community, and unjustifiable expense; and it is pleasant to realize we have now sufficient information to largely protect the insuring public from this condition.

Sizeable Losses Discovered as Frauds

In 1925 it was discovered that in Colorado alone there had been about \$200,000 annually contributed to fraud, forgery and other abuses, some of which has been returned to the companies and some of the principal offenders have been successfully prosecuted. Some are now in jail, others have served their time, some are on the way to punishment and still others have left for parts unknown. This moral hazard did not exist in Colorado alone. There was a case recently disposed of in Nebraska whereby the insurance was taken after the storm, proper investigation disclosed the fact and the assured returned the full amount of money paid on the loss and

paid a fine through the courts of \$500. The agent pleaded guilty to the charge made and was sentenced for a year in jail. There has also been some indication of similar practice in various other states, which may have the attention of the courts later on.

Hail Insurance Is Good Judgment

After all is said and done hail insurance is nothing more or less than good judgment and common sense, and if we take it upon ourselves to eliminate incompetency, the roadside adjusters, or any adjuster who is too important to post himself as to conditions and examine the fields as closely as possible, the moral hazard and fraud which have heretofore existed can be controlled and eliminated. We will then confine the business to a much better class of assureds and agents and thereby largely reduce rates as experience will be found to justify. Hail in itself is not the most troublesome element in the hail business. Lack of proper training for agents, adjusters, and lack of proper supervision which would regard hail underwriting as something that involves the same underwriting principles as other lines have been the chief contributors to the unsatisfactory results of the past.



For those who doubt that hail can do any extensive damage to the fruit orchards, the photo shown above should prove enlightening. These are apples taken from a tree after a disastrous hailstorm which proved a total loss to this orchard. These apples are so damaged that they are useless and the entire crop was left in the same condition. Orchards are "crying out" for the hail insurance agent. While grain constitutes the chief source of hail insurance premiums, fruit, orchard and garden crops are offering a larger field constantly. (Hartford Fire Photo.)

HAIL LOSS WORK SHEET (SMALL GRAINS)									
Insured		Interest in Crop		Policy No.		Loss No.			
The		Hail Storm occurred on the		Date of		Insurance Company of		192	
OR		SEC.		TWP.		RGE.		No. of Acres	
KIND OF CROP		STAGE OF GROWTH		COUNT OTHER THAN HAIL		PERCENTAGE LOSS		PERCENTAGE LOSS	
Adjuster's Estimate of Value	Broken	Cracked	Shattered	Net Damage Loss	Gross Damage Loss	Net Damage Loss	Gross Damage Loss	Net Damage Loss	Gross Damage Loss
TEST No. 1									
TEST No. 2									
TEST No. 3									
TEST No. 4									
TEST No. 5									
AVERAGE HAIL LOSS		KIND OF CROP <td colspan="2">STAGE OF GROWTH <td colspan="2">COUNT OTHER THAN HAIL <td colspan="2">PERCENTAGE LOSS</td> </td></td>		STAGE OF GROWTH <td colspan="2">COUNT OTHER THAN HAIL <td colspan="2">PERCENTAGE LOSS</td> </td>		COUNT OTHER THAN HAIL <td colspan="2">PERCENTAGE LOSS</td>		PERCENTAGE LOSS	
OR	SEC.	TWP.	RGE.	No. of Acres	KIND OF CROP	STAGE OF GROWTH	COUNT OTHER THAN HAIL	PERCENTAGE LOSS	PERCENTAGE LOSS
Adjuster's Estimate of Value	Broken	Cracked	Shattered	Net Damage Loss	Gross Damage Loss	Net Damage Loss	Gross Damage Loss	Net Damage Loss	Gross Damage Loss
TEST No. 1									
TEST No. 2									
TEST No. 3									
TEST No. 4									
TEST No. 5									
AVERAGE HAIL LOSS		KIND OF CROP <td colspan="2">STAGE OF GROWTH</td> <td colspan="2">COUNT OTHER THAN HAIL</td> <td colspan="2">PERCENTAGE LOSS</td>		STAGE OF GROWTH		COUNT OTHER THAN HAIL		PERCENTAGE LOSS	

(Below all diagrams approximate shading which tests were made. Integrate by percent of the test, NOT BY PERCENTAGE OF LOSS FOUND.)

Date tests were made: _____ 1927 _____ o'clock _____ M.

Witness to Tests: _____ Insured: _____

Witness to Tests: _____ Adjuster: _____

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Long Established

PIONEERS

Large Facilities

MANAGERS HAIL DEPARTMENT

Hudson Insurance Company of New York
 Providence Washington Insurance Company of Providence
 Westchester Fire Insurance Company of New York
 Hudson Underwriters Agency of New York

**APPLICATIONS FOR NEW AGENCIES
 RECEIVE PROMPT ATTENTION**

**WE PERMIT NO ONE TO EXCEL THE
 QUALITY OF OUR HAIL SERVICE**

STATISTICS ON HAIL INSURANCE

FIVE YEAR COMPARISON OF NET PREMIUMS, LOSSES PAID AND LOSS RATIOS OF STOCK COMPANIES WRITING HAIL INSURANCE IN THE UNITED STATES

	1926			1925			1924			1923			1922		
	Prem.	Losses	Ratio	Prem.	Losses	Ratio	Prem.	Losses	Ratio	Prem.	Losses	Ratio	Prem.	Losses	Ratio
Aetna	\$ 480,201	\$ 256,944	.53	\$ 432,780	\$ 306,393	.71	\$ 284,881	\$ 397,590	1.39	\$ 268,066	\$ 184,144	.69	\$ 87,152	\$ 99,266	1.14
Agricultural	1,211	.....	..	.....	.....	..	.....	.....	..	122,840	145,178	1.18	160,888	92,916	.57
Allemania	78,582	34,790	.44	100,845	89,573	.88	45,008	25,811	.57	105,877	128,225	1.21	87,354	71,283	.82
American Alliance .....	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..	18,147	16,200	.89
American Equitable .....	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..	118	592	..
American, N. J.	100,944	23,598	.23	120,700	73,854	.61	255,288	262,929	1.03	62,707	58,726	.99	38,008	36,601	.96
Atlas, England .....	.....	.....	..	.....	.....	..	.....	.....	..	100,165	112,527	1.12	65,062	58,223	.88
Automobile	2,776	11,981	4.31	673,611	577,889	.86	339,783	349,465	1.03	182,685	160,260	.88	60,063	61,980	1.03
British America	2,532	909	.36	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..
Camden	153,003	85,081	.56	27,481	12,504	.46	66,715	33,139	.49	21,594	11,303	.53	30,093	34,263	1.14
Central, Md.	6,253	171	..	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..
Central States	2,782	525	.19	.....	.....	..	.....	.....	..	-19,247	134	.18	24,868	11,597	.47
Citizens, Mo. ....	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..	23,475	25,449	1.08
Columbus, O.	185	.....	..	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..
Commercial, Un., England	18,310	15,965	.87	19,532	16,658	.85	11,613	10,361	.89	2,773	352	.13	2,377	500	.21
Commercial Un., N. Y.	4	.....	..	4,720	7,740	1.64	703	978	1.39	85	325	3.83	.....	.....	..
Commonwealth, N. Y.	33,876	35,124	1.04	12,625	5,962	.47	11,811	7,800	.66	5,802	4,251	.73	3,023	1,466	.48
Connecticut	74,783	39,355	.52	116,905	114,463	.98	102,085	171,421	.89	305,794	312,430	1.03	236,094	120,487	.51
Continental	392,912	170,632	.43	400,728	226,827	.49	226,601	201,336	.89	270,794	240,266	.89	265,365	149,278	.56
Dixie	13,962	5,176	.37	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..
Eagle, N. J.	8	.....	..	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..
Equitable F. & M., R. I.	14,956	7,871	.53	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..
First American .....	.....	5	..	50,807	46,297	.90	13,346	12,729	.80	6,465	3,998	.62	.....	.....	..
Employers, Mass.	1,395	585	.42	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..
Federal, N. J.	196,255	136,986	.69	70,051	49,952	.71	96,263	65,968	.69	128,667	88,993	.69	201,463	153,466	.76
Federal F. & M. ....	.....	.....	..	.....	.....	..	.....	.....	..	486	17	.04	15,612	17,145	1.10
Fidelity-Phoenix	314,330	139,614	.44	301,087	165,835	.55	125,808	74,343	.59	167,822	141,049	.84	203,509	119,476	.59
Federal Union, N. Y.	2,618	1,030	.40	39	.....	..	.....	.....	..	.....	.....	..	.....	.....	..
Franklin National	583	60	.10	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..
Firemens, N. J.	16,487	15,836	.96	26,861	19,425	.72	236,171	268,313	1.13	58,367	58,338	1.01	14,179	32,247	2.28
Georgia Home	19	.....	..	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..
Girard F. & M. ....	.....	.....	..	.....	.....	..	.....	.....	..	.....	.....	..	1,860	773	.41

(CONTINUED ON PAGE 12)

INCORPORATED 1841
Security Insurance Company
 OF NEW HAVEN, CONNECTICUT
 A STOCK CORPORATION

WESTERN DEPARTMENT - ROCKFORD, ILLINOIS
 WALTER D. WILLIAMS, MANAGER

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 SERVICE
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Maintains HAIL SERVICE OFFICES For Each State As Follows:

KANSAS
A. J. Shaw Inv. Co.
 GEN'L AGENT
 McPHERSON, KANSAS

OKLAHOMA
**Company Branch
 Office**
 ENID, OKLAHOMA

TEXAS
W. J. Otjen
 GEN'L AGENT
 ENID, OKLAHOMA

NEBRASKA
Zimmer & Smith
 GEN'L AGENTS
 LINCOLN, NEBRASKA

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WE ARE PIONEERS in the hail insurance business.

THIRTY-FOUR YEARS of Exclusive, Intensive Hail Insurance Study.

We issue policies and adjust and pay losses in the field.
 Our Motto is, a SQUARE DEAL to all concerned.
 We take notes and settle with the company monthly in cash.
 Twelve years with one Company.

YOUR BUSINESS APPRECIATED whether as company, agent or insuror.

CORRESPONDENCE SOLICITED.

THE A. J. SHAW INVESTMENT COMPANY
 A. J. SHAW, President, McPherson, Kansas

Loss Ratio
1.14
.57
.82
.89
..
.96
.88
1.03
..
1.14
..
.47
1.08
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.02
..
.48
.51
.56
..
..
..
.76
1.10
.59
..
2.28
..
.41



Don't delay **Protect**
your growing crops
to-day



AMERICAN EAGLE
FIRE INSURANCE COMPANY
EIGHTY MAIDEN LANE, NEW YORK, N.Y.

ERNEST STURM, Chairman of the Board

PAUL L. HAIG, President

NEW YORK

CASH CAPITAL—ONE MILLION DOLLARS

CHICAGO

SAN FRANCISCO

Note

The three-color window poster re-produced herewith is one of many selling helps designed by the American Eagle Fire Insurance Company to aid its agents in making 1927 the biggest hail writing year in the history of their agencies.

(CONTINUED FROM PAGE 10)

	1926			1925			1924			1923			1922		
	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio
Glens Falls										209,956	196,469	.94	259,587	170,598	.66
Glens Falls Und.													17,955	27,839	1.55
Globe & Rutgers	439,943	245,371	.56	643,304	658,687	1.02	335,928	258,907	.97	281,118	203,958	.72	155,076	506,673	3.26
Grain Belt				270,000	200,000	.74	225,000	150,000	.67	150,700	75,771	.60	217,900	97,839	.45
Great American	501,609	250,686	.45	753,415	360,284	.48	470,002	301,883	.64	313,199	333,067	1.06	303,821	246,938	.82
Great Republic													170,674	108,573	.60
Hartford	3,145,064	1,678,783	.53	3,169,271	2,116,321	.66	1,775,432	1,405,495	.78	2,590,285	1,805,471	.70	1,820,432	1,330,510	.72
Hawkeye Securities										590,335	609,157	1.05	400,956	413,661	.84
Henry Clay													31,027	13,432	.41
Home, N. Y.	1,838,727	1,065,425	.58	1,370,081	972,617	.70	1,327,383	1,133,419	.84	1,463,322	1,581,825	1.08	1,433,607	873,931	.61
Hudson	184,901	115,906	.63	107,321	73,353	.68				41,591	43,462	1.07	33,441	31,802	.95
Imperial Assur.	14,034	8,661	.62												
Ins. Co. of N. A.	522,982	292,739	.56	500,681	367,794	.73	194,349	239,685	1.23	188,293	171,019	.91	147,307	27,396	.18
International, N. Y.	32,482	11,422	.35												
Iroquois, Ill.	15														
Jupiter General	1,463	1,184	.81												
L. & L. & G.	41,905	16,485	.39	79,785	42,156	.53	44,373	36,473	.82	80,405	103,953	1.20	69,353	68,404	.99
Mass. F. & M.													8,263	4,734	.57
Mechanics, Pa.													50		
Merchants, Colo.	23			51											
Merchants, N. Y.	184,574	115,252	.63				120,374	70,966	.59	148,584	150,294	1.01	103,558	34,654	.33
Mercantile, N. Y.	2,216	1,316	.59	1,236	114	.09	15,051	34,178	2.27	18,051	16,047	.89	11,817	5,346	.45
Middlewest Und.													108,477	66,650	.61
Minneapolis F. & M.										158,818	175,931	1.11	106,943	105,841	.99
National, Conn.	137,703	77,658	.57	123,541	76,101	.63	125,583	131,201	1.04	141,087	169,181	1.20	188,065	51,223	.27
National Liberty	1,595	27	.02											192,527	1.02
National Security, Neb.				48,584	53,325	1.09	7,419	4,784	.64	9,191	4,731	.52	15,865	22,744	1.43
National Union	154,138	55,852	.36	341,483	204,661	.60	235,958	207,826	.88	111,332	130,539	1.17	48,592	31,605	.65
New India	8,810	1,972	.22												
New Jersey	5,022														
New York Underwriters.	6,510	3,704	.57				59,174	60,082	1.02	53,648	65,579	1.22	20,518	13,416	.65
New Zealand	20														
Niagara	584,406	364,337	.63	298,207	157,491	.52	184,055	103,443	.56	239,408	299,904	1.25	97,152	60,790	.62
North American National.										74,517	77,068	1.03	193,019	110,867	.57
North British & Mercantile.	24,071	24,920	1.03	39,006	17,154	.43	25,052	14,610	.56	10,042	6,560	.65	4,839	2,167	.45
North River	11,159	10,042	.90	28,264	18,287	.64	75,005	85,664	1.13	10,032	12,039	.63	19,303	17,247	.89
North Star	1,430	490	.34												
Northwestern F. & M.	303,701	192,163	.53	316,848	192,381	.61	295,406	192,052	.66	301,140	361,573	1.20	368,000	314,810	.85
Norwich Union	702														
Ohio Farmers	2,527	281	.11												
Old Colony	655	67	.10												
Omaha Liberty										78,743	72,972	.93	34,497	27,467	.80
Omaha M. & F.	5,809	1,377	.24												
Pacific	365														
Palatine	4,865	1,863	.38	11,253	7,142	.63	5,883	4,585	.78	273	389	1.42	48		

(CONTINUED ON PAGE 14)

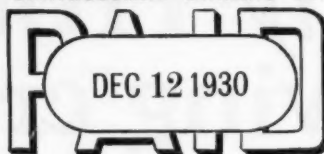
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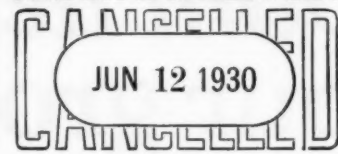
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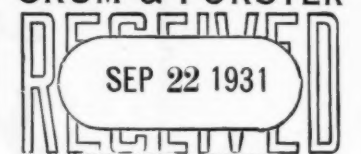
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TWENTY-TWO YEARS UNEXCELLED SERVICE

Loss
Ratio
.68
1.55
3.26
.45
.82
.60
.72
.84
.41
.61
.95
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.52
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.99
.57
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Guard
your growing crops



"AMERICA FORT"

The CONTINENTAL
INSURANCE COMPANY
EIGHTY MAIDEN LANE, NEW YORK, N.Y.

ERNEST STURM, Chairman of the Board
PAUL S. HADDO, President

CASH CAPITAL + TEN MILLION DOLLARS

NEW YORK CHICAGO MONTREAL SAN FRANCISCO



"AMERICA FORT"

Sales

of Hail Insurance will be stimulated by placing prominently in the window or on the walls of your agency office a copy of The Continental three-color window poster reproduced herewith, which calls attention to the necessity for carrying Hail Insurance on growing crops.

(CONTINUED FROM PAGE 12)

	1926			1925			1924			1923			1922		
	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio
Pennsylvania	13,171	5,120	.39	10,225	5,385	.52	14,587	8,942	.61	2,335	1,793	.77	1,188	394	.33
Phoenix, Conn.	123,927	65,907	.53	204,927	189,490	.92	138,577	171,926	1.24	456,639	454,264	.99	206,109	90,422	.44
Potomac	55,772	32,024	.57	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Preferred Risk	1,076	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Providence Washington	392,227	263,612	.65	321,778	225,579	.70	164,073	148,879	.91	111,798	123,995	1.11	103,078	105,515	1.02
Prudential, Eng.	11,640	4,472	.38	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Queen City	10,020	4,986	.50	24,815	17,276	.69	2,890	3,077	1.06	3,798	1,611	.....	9,865	17,551	1.78
Republic, Pa.	410	54	.13	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Richmond, N. Y.	22	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Roch. Dept. Great Amer.	81	.....	.....	.....	.....	.....	.....	.....	.....	225,584	298,857	1.33	170,943	140,583	.78
Provident, N. Y.	41,127	4,223	.10	.....	.....	.....	.....	.....	.....	.....	.....	.....	120,176	70,879	.59
Rocky Mountain	1,007	4,473	4.44	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Royal Exchange	484,253	207,760	.43	347,381	262,952	.75	310,734	180,097	.59	215,334	230,612	1.07	144,043	117,564	.81
Security, Conn.	2,068	899	.44	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Scottish Union & Nat.	598,312	338,779	.57	468,177	357,039	.76	275,100	364,190	1.32	217,335	175,137	.81	147,301	77,444	.52
Springfield, F. & M.	313	62	.20	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Skandinavian .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
State, Ia.	7,857	3,091	.39	.....	.....	.....	.....	.....	.....	.....	.....	.....	59,740	26,404	.45
Star	1,002,105	507,575	.57	856,582	496,280	.58	617,943	432,174	.70	337,627	311,568	.92	422,339	333,152	.79
St. Paul F. & M. ....	.....	.....	.....	51,372	47,203	.92	58,430	45,844	.78	35,256	20,507	.58	16,876	16,354	.97
Sterling, Indiana	1,924	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Tokio M. & F.	2,097	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Travelers	471,531	217,605	.46	580,600	421,404	.72	168,519	134,458	.80	158,543	171,141	1.08	108,477	66,650	.61
Twin City	60	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Union & Phenix Espanol.	70,597	56,302	.80	106,383	46,345	.44	172,271	201,552	1.16	90,817	85,342	.94	40,055	50,405	1.26
U. S. Fire	1,820	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Union, Eng.	3,659	1,399	.38	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Western, Canada	276,919	174,922	.63	321,785	221,341	.68	106,540	149,846	.90	287,474	279,303	.97	262,207	158,248	.60
Westchester	38,000	29,060	.76	35,576	51,468	1.44	.....	.....	.....	.....	.....	.....	.....	.....	.....
World F. & M. ....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	\$13,631,825	\$7,297,191	.53	\$13,728,565	\$9,551,154	.62	\$9,558,533	\$8,194,868	.85	\$11,240,492	\$10,521,979	.94	\$9,885,139	\$7,364,378	.75

REINSURANCE COMPANIES

	1926			1925			1924			1923			1922		
	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio
American, N. Y. ....	.....	.....	.....	.....	.....	.....	3,704	5,951	1.61	4,582	3,613	.79	.....	.....	.....
Federated Fire Reinsurance .....	.....	.....	.....	.....	.....	.....	232,115	87,315	.37	274,570	268,044	.98	142,905	128,425	.90
Fire Reassurance	260,031	161,635	.62	202,437	91,252	.46	.....	.....	.....	240,404	111,458	.45	317,479	224,287	.72
Inter-Ocean Reinsurance	189,525	68,628	.36	790,544	268,210	.34	.....	.....	.....	.....	.....	.....	.....	.....	.....
International	32,483	11,423	.35	.....	.....	.....	.....	.....	.....	.....	.....	.....	3,698	4,713	1.28
Jakor .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	265	1,462	5.52
La Cubana Nacional. ....	.....	.....	.....	.....	.....	.....	.....	48	.....	7,718	3,637	2.12	9,957	6,247	.63
Mechanics & Traders	6,540	3,742	.57	.....	.....	.....	2,890	2,045	.71	6,729	9,817	1.46	3,548	4,225	1.19
Reinsurance Salamandra	3,337	1,145	.34	3,179	3,693	1.16	14,533	39,207	2.69	62,947	65,629	1.05	22,225	14,423	.65
Rossia	33,940	15,489	.46	14,786	7,102	.48	15,724	36,443	2.32	9,219	11,465	1.24	2,646	5,820	2.19
Salamandria, Russia .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	15,858	9,764	.62
Second Russian .....	.....	.....	.....	.....	.....	.....	756	2,060	.....	56,049	56,861	1.01	11,823	.....	.....
Skandinavia	313	62	.20	1,118	923	.82	2,376	3,829	1.61	3,772	6,221	1.65	507	2,319	4.08
Warsaw .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	53	.....	6,016	4,165	.69
Total	\$ 526,169	\$ 262,124	.50	\$1,012,064	\$ 371,180	.37	\$ 272,098	\$ 176,898	.65	\$ 669,080	\$ 536,808	.80	\$ 536,985	\$ 405,850	.76

MUTUALS

	1926			1925			1924			1923			1922		
	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio	Premis.	Losses	Loss Ratio
Austin Mut., Minn.	143,000	30,015	.21	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Citizens Fund Mut., Minn.	601	72	.11	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Capital, Neb.	6,954	1,770	.25	10,433	3,049	.29	14,141	9,992	.79	35,949	34,519	.96	50,114	57,789	1.14
Cent. Mut. H. & C. Wis.	2,782	525	.19	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Des Moines Mutual.	8,802	652	.07	36,396	30,309	.83	100,989	29,119	.29	71,481	19,648	.28	82,835	44,079	.53
Equity, Montana .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	37,908	51,652	1.37
Farmers Coop., Neb.	107,269	35,545	.33	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Farmers Hail, Kan. ....	.....	.....	.....	.....	.....	.....	35,854	18,977	.53	30,108	51,815	1.43	55,420	29,565	.53
Farm Mutual Hail, Ia.	997,183	333,713	.34	1,437,440	974,141	.67	.....	.....	.....	924,536	350,987	.38	955,094	716,769	.75
Farm. Union Coop., Neb.	350	48	.13	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Farm Union Mut. Hail, Kan.	41,371	29,655	.72	39,969	24,981	.63	.....	.....	.....	118,632	151,340	1.27	204,737	203,818	.99

(CONTINUED ON PAGE 16)

SERVICE IN THE HAIL FIELD

The Van Arsdale & Osborne office issues all its hail policies from the Wichita office the same day the applications are received. Does that mean anything to you?

We also do our own adjusting in a manner that leaves no room for complaint, and that assures each of our agents' clients prompt and fair treatment. We believe that in order to get first class service you must also render it. Promptness is one of our watchwords.

VAN ARSDALE & OSBORNE

Organized 1897

Specialists in Hail Insurance
WICHITA, KANSAS

GENERAL AGENTS

Kansas and Oklahoma—Hail Department

ST. PAUL FIRE & MARINE INSURANCE COMPANY—The Pioneer in Hail Insurance

All losses adjusted by our own men and paid in the field at time of adjustment

Loss
Ratio
.32
.44
1.02
1.78
1.78
.69
.81
.62
.46
.79
.97
1.61
1.26
..
.60
..
.75

Loss
Ratio
.90
.72
1.28
5.62
.63
1.19
.65
2.19
.62
..
1.08
.69
..
.76

Loss
Ratio
..
..
.14
..
.63
.37
..
53
.75
..
.99



**He who plants
should take no chance**



**FIDELITY-PHENIX
FIRE INSURANCE COMPANY
EIGHTY MAIDEN LANE NEW YORK, N.Y.**

ERNEST STURM, Chairman of the Board
PAUL L. HAID, President



**NEW YORK
CHICAGO**

CASH CAPITAL—TEN MILLION DOLLARS

**MONTREAL
SAN FRANCISCO**

This poster

was designed and printed in three colors for Fidelity-Phenix agents to aid them in selling more Hail Insurance. Display your copy prominently. It will direct Hail Insurance prospects to your office.

(CONTINUED FROM PAGE 14)

(CONTINUED FROM PAGE 14)														
1926			1925			1924			1923			1922		
Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio
Harv. Hort. Mut., Ia.....	91,318	23,152 .25												
Harvesters Mutual, Ia.....	98,319	23,153 .25	73,565	32,176 .44		47,958	9,394 .20					49,916	21,633 .43	
Ia. Implement Mut.....	13,179	1,006 .08												
Kansas Home Hail.....												20,032	7,907 .39	
Ill. Mut. Fire Und.....	182													
Michigan Mutual Hail.....	6,734	9,775 1.45				38,058	44,268 .71		42,823	32,180 .75		88,880	74,738 .84	
Mich. Millers Mut.....	717													
Millers Mut., Ill.....	245	61 .30												
Millers Mut., Pa.....	4,896	14												
Nebraska National												48,404	80,088 1.65	
Ranchers Hail, Mont.....						14,378	3,134 .22		5,201	2,238 .43		13,695	10,103 .74	
Southern Mutual, Tex.....			155	13		100,649	33,179 .31		81,714	25,663 .31		63,522	39,817 .62	
Standard Mutual, Ia.....						17,391	8,192 .42		15,684	4,878 .31		19,548	8,925 .45	
St. Paul Mut. Hail & Cyclone.....									34,261	20,210 .59		103,733	153,599 1.48	
State Farm Mutual, Minn.....						\$ 141,073	\$ 255,863		\$ 479,206	\$ 276,911 .58		\$ 418,723	\$ 360,792 .86	
Union, Neb.	67,444	20,203 .30	65,504	28,221 .43		43,115	32,414 .70		46,993	25,253 .54		58,253	51,477 .88	
Total	\$1,592,465	\$ 509,359 .32	\$1,663,462	\$1,092,890 .66		\$ 579,006	\$ 444,532 .77		\$1,892,708	\$ 995,642 .53		\$2,270,874	\$1,912,751 .84	
STATE HAIL INSURANCE FUNDS														
1926			1925			1924			1923			1922		
Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio
Nebraska	27,004	14,233 .53	25,656	25,328 .83		\$ 73,586	\$ 137,114 1.87		\$ 82,762	\$ 83,211 1.01		\$ 146,882	\$ 243,803 1.66	
North Dakota.....	2,015,501	1,707,582 .85	1,068,379	1,387,392 .81		1,827,410	1,559,816 .85		3,049,836	3,732,400 .95		4,740,807	3,413,728 .72	
South Dakota	617,890	416,414 .67	644,779	561,471 .87		2,317,626	2,367,589 1.02		1,156,655	1,367,966 1.18		1,407,107	1,200,925 .86	
Total	\$2,660,485	\$2,138,229 .80	\$2,341,805	\$1,954,592 .83		\$4,218,022	\$4,064,519 .96		\$5,180,253	\$5,183,577 .99		\$6,060,805	\$4,858,456 .80	

STATE HAIL INSURANCE FUNDS

	1926			1925			1924			1923			1922		
	Prem.	Losses	Loss Ratio	Prem.	Losses	Ratio	Prem.	Losses	Ratio	Prem.	Losses	Ratio	Prem.	Losses	Ratio
Nebraska	27,004	14,233	.53	28,656	25,328	.83	\$ 73,586	\$ 137,114	1.87	\$ 82,762	\$ 83,211	1.01	\$ 146,882	\$ 243,803	1.66
North Dakota	2,015,501	1,707,582	.85	1,068,370	1,367,293	.81	1,827,410	1,559,816	.85	3,949,836	3,732,400	.95	4,740,807	3,413,728	.72
South Dakota	617,989	416,414	.67	644,779	561,471	.87	2,317,626	2,367,589	1.02	1,156,655	1,367,966	1.18	1,167,170	1,200,925	1.03
Total	\$2,600,485	\$2,138,229	.80	\$2,341,805	\$1,954,592	.83	\$4,218,622	\$4,064,519	.96	\$5,180,253	\$5,183,577	.99	\$6,060,865	\$4,858,456	.80

First in the United States

The ST. PAUL was the first fire insurance company in the United States to write HAIL INSURANCE through its agents.

ST. PAUL FIRE & MARINE INSURANCE CO. ST. PAUL, MINNESOTA

Assets \$26,834,753.33

Policy Holders Surplus \$11,814,381.51

Special Facilities for Hail Writing Agents

F. R. BIGELOW, President

WILL J. MILLER

W. G. STUDEBAKER

L. B. PALMER

W. H. DEVENDORF, *Engineering Department*

MILLER-STUDEBAKER AGENCY

General Agency Service

701 JACKSON STREET :: LONG DISTANCE PHONE 45
TOPEKA, KANSAS

HAIL - FIRE - TORNADO
AND OTHER INSURANCE BRANCHES

We Do the Adjusting.

Drafts Issued in the Field.

Desirable Agency Connections Solicited.

Representing

Fire and Auto Departments
Caledonian-American Ins. Co.
Caledonian Fire Ins. Co.
City of New York
Inter-State Fire Ins. Co.
Minneapolis Fire & Marine Ins. Co.
Globe Fire Underwriters

Representing

Hail Departments
The City of New York Ins. Co.
The Inter-State Fire Ins. Co.

THE AGENCY WITH "RETURN MAIL SERVICE"

ARGUS

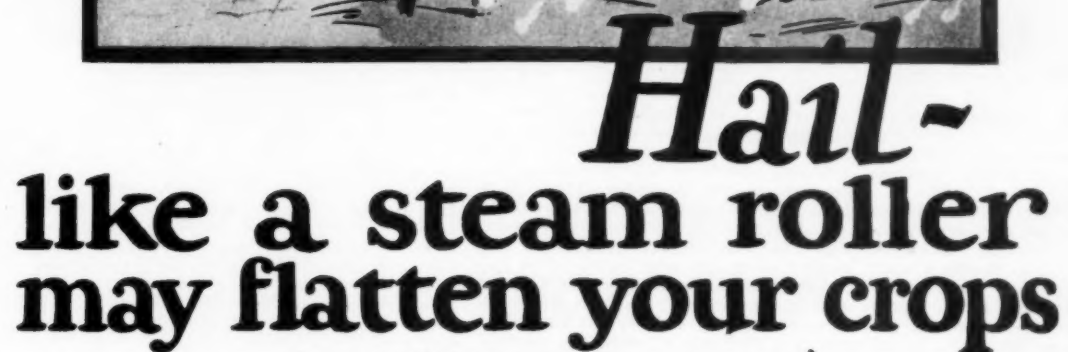
*The working tool you need is the Argus Chart
The National Underwriter can equip you!*

CHARTS

Loss	
Ratio	
1.66	
.72	
1.03	
—	
.80	

1

—



EIGHTY MAIDEN LANE, NEW YORK, N. Y.

ERNEST STUBBS, *Chairman of the Board*
 Director, American Shipbuilding Association



CASH CAPITAL — ONE MILLION DOLLARS

NEW YORK CHICAGO MONTREAL SAN FRANCISCO

if it displays the three-color window poster reproduced herewith will attract the prospect for Hail Insurance to your office where a First American policy is available to give him the soundest of protection against hailstorm damage.

Selling the Policy

By A. E. BAUMER
Local Agent, Lone Tree, Iowa

THE methods to be employed in selling hail insurance, in my opinion, should not differ from those which should be used in the sale of any other form of insurance. I believe that the agent should first thoroughly sell himself on the subject, and when so sold, he will have learned all which it was possible for him to have learned about it and he will continue to broaden his knowledge from experience through application.

Securing the Signed Application Not All

Securing signed applications is not all that is required; proper salesmanship, I feel, means that an agent should first find the right prospects to whom to sell hail insurance, the kind of men your company would want to make a contract with, then when signed and made, have it so sold that the assured knows as well as the agent, what that contract stands for, between himself and the company insuring him, for unless he does understand it, the agent has missed the big thing in salesmanship.

The agent is acting as agent for both parties, his company and his client, and he should feel a sense of responsibility to both parties, for only in so feeling and acting, can he properly perform his trust and merit the confidence of both parties.

Demand for Hail Insurance Is Growing

There is a growing demand for hail insurance, even in territories quite remote from any past hail. Men today who raise the various crops as are covered by hail insurance, feel that since the cost of crop operations are so high, that they cannot afford to carry the risk of a possible damage from hail, which, too, is very true, and since the various hail writing companies have extended their operations and have improved their contracts, much confidence has been gained from the insuring public.

It is no trouble today to insure buildings against the hazards of fire, lightning and wind; in fact, they are all, if insurable, insured. It is merely a matter of one agent securing the business controlled by some other agent, unless it be in the case of new property, yet time was when fire agents, perhaps, had to use a lot of selling force in convincing property owners of the advisability

of buying it, and I feel that the day is not far away when farmers generally will be as well educated into buying hail insurance and as a local agent myself, I think that it is my duty to myself and my companies and my clients to be as well equipped to sell hail insurance as I am in other lines.

Service and Work Are Basic Essentials

The first duty of an insurance agent is to render service, to his clients and his companies, and to do this he must work, work hard. It does us little good to know all about hail insurance and its application unless the agent will go to work and apply himself by going to see the people to whom he wishes

devised to give him protection and to convince him that, when he is protected by it, his loss will properly and honestly be taken care of in event he should suffer a loss, under the terms of the policy.

I do not find all the people upon whom I call interested. This I expect, however. I try to arise to the occasion and get them interested and if unable to do so, I usually leave them or try to leave them in a good frame of mind with perhaps some few remarks which might make them future hail insurance buyers.

When I meet a man who has carried hail insurance and who was poorly sold on it, by an agent, perhaps, who wrote it as quickly as possible, with

hogs will be high and grain cheap or vice versa.

Cost Too Low to Warrant Taking Chance

The cost of hail insurance is too low to warrant him taking the chance. I figure out for him some basis of coverage he will require, what it would cost him to protect himself against this possible heavy loss and show him how surprisingly low the cost will be on a per acre basis. I then show him that with corn based on an average price he would have to farm quite a long time in order to spend that acre's production for hail insurance and yet, a hail storm could wipe out a crop very quickly and he would have no assurance that hail would not attack another year.

I feel that right now the time is right for every agent to start selling hail insurance, if he has not already allied it with his other lines. If he will see the good prospects in his territory, work hard to sell them, on an honest, conscientious basis, carefully selecting his prospects, writing what he is able to sell properly, giving the assured only the amount of insurance he should carry for protection, selling him so that he knows what he has purchased, he will then be strengthening his own position in his territory and be rendering a fine service to his clientele.

Knows Enough Prospects to Keep Him Busy

In my own agency I feel that I know everyone within a good wide radius, enough in fact to keep me busy every day, seeing so many people, always trying to be alert to their needs and making an effort to serve them. Of course, when in the office I formulate a plan for each day of travel, general direction, with a list of the people in that direction whom I might see, and often times I stop in entirely different places after I have started out, for contact with the people often makes new conditions which change original plans.

Every man I call on has a different personality, a different attitude, and I must contrive to use a different argument to fit his case. But in my opinion the most essential part of a hail insurance salesman's make-up should be application, hard, honest work, backed up by a lot of grit and courage. If he will work and see enough people, he will sell. This holds true of any good article for sale.

A. E. Baumer is a local agent at Lone Tree, Iowa, who attracted the attention of the hail managers by a sales talk at one of the regional conferences held by the association this year and he here sums up some of his ideas as to business-getting methods in this business. As all successful salesmen, Mr. Baumer states that the way to sell is simply to sell, but he has been persuaded to put some of his ideas in black and white and they are here reproduced. Sales ideas are always of interest and value and these may be of some aid to hail agents.

to sell. And when he goes to see them, he wants to go with an honest determination to sell them. He must feel and talk enthusiastically, for once he has sold himself and once he has learned his contract, then he is in a position to honestly try to convince his prospect.

Explains Contract in Full to Prospect

When I call upon a prospect I tell him that I have called to explain to him our new contract covering the hazards of hail, in which he surely is interested, and, if he is interested, I proceed to explain the contract in full to him. By that I mean that I point out all of the advantages of the contract itself as will apply to his case and needs and never jump lightly over any clause in it which he might think would operate against him. I show him both sides of the contract. It has two edges and is a contract between two parties. Each must fulfill his part. I try carefully to show him that the policy is

the least effort for the most commission, and feels that hail insurance is not all it should be, I make an effort to give him as much good information as possible, in an effort to offset the harm done by a careless agent. I have left these men, knowing that their attitude has been changed and that they again will be good prospects for the right agent.

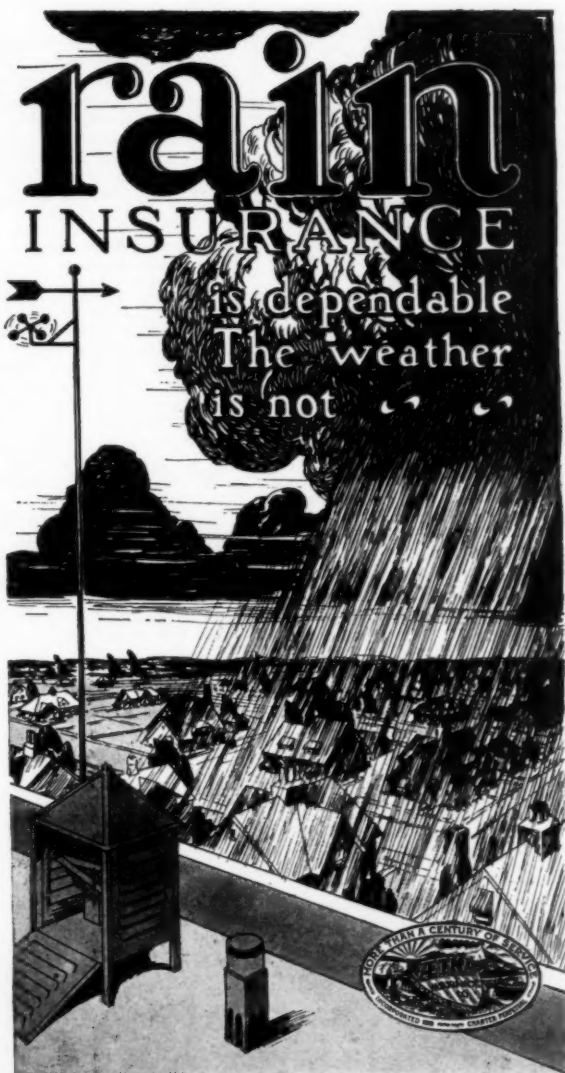
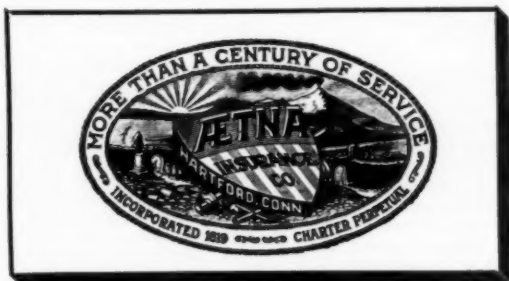
I try to point out to men that it is just as important for them to insure their crops as it is to cover their other property—in reality, more important, inasmuch as, should they be unfortunate in losing their crop by hail storm, it would mean the loss of their entire year's effort. This might entail more serious losses in not being properly able to carry on the various year's plans, for the crop of grain on a farm is only the raw material crop and when no grain is raised, they suffer loss which might be gain when fed to livestock and poultry. Every farmer knows the rule of supply and demand and he is never in a position to know whether



Before the storm. This grain, shocked and ready for the harvest, was seemingly the equivalent of dollars to the owner of this huge grain field. It was blown a bit awry by the wind, but was in perfect condition and needed but a few days work to put the fresh grain in the bins—provided the elements were willing. (Hartford Fire Photo.)



After the storm. The grain field was swept by a disastrous storm, and even though the grain had been cut and shocked, it was threshed out in the field by the hailstones and the farmer's hopes vanished. This field was a total loss. There is no time when the farmer is safe without hail insurance. (Hartford Fire Photo.)



RAIN INSURANCE covering
"Anticipated Gross Income" or
"Anticipated Gross Profits" or
"Fixed Charges and Expenses"
on public events indemnifies for
loss on account of rain.

HAIL INSURANCE covering
growing crops indemnifies for
loss or damage from hailstorms.

MANY LOCAL AGENTS are earning
large commissions selling these two im-
portant classes of insurance.

OUR RAIN AND HAIL DEPARTMENT
is in charge of men of special training
and experience who devote their entire
time to that department.

ORDER RAIN AND HAIL SUPPLIES
immediately and take advantage of the
opportunity offered in these rapidly
growing lines.

RAIN AND HAIL DEPARTMENT

JAMES B. CULLISON, JR., Manager
S. K. BJORNSON, Asst. Manager

844 Rush Street

Chicago, Illinois

WRITING TOBACCO BUSINESS

By WILLIAM B. BROCK

THE writing of tobacco hail insurance began in 1911, with one company writing the class, in Kentucky only. The premium income for that year amounted to \$17,462, with losses amounting to \$10,733. There are now 25 companies, members of the Hail Underwriters & Adjustment Bureau, writing the class in Kentucky, Tennessee, Ohio and Indiana. The total premiums for 1926 amounted to \$158,287 and the losses were \$43,421.24, the year being an unusually profitable one for the companies.

Comes at Season Otherwise Slack

The writing of tobacco hail insurance occurs at a time of the year when other business is slack for most agents. Therefore, many of the live ones are now making an intensive drive for this class of business and they are adding quite a tidy sum to their profit account as a result of their work. The farmers are pretty well "sold" on hail insurance, as they realize that their year's work can be, and often is, wiped out in a few minutes by a severe hail storm. Tobacco hail insurance is not, therefore, hard to sell and, if the agent will send his remittance to his company along with the application or daily report, he will be allowed a commission of 20 per cent—a very fair remuneration for the work involved.

Agent Should Know Nature of the Contract

As the hail policy is so entirely different from the fire policy, it is highly important that the agent know what kind of a contract he is selling and be able to intelligently explain its terms and conditions before selling it, in order to allay any possible friction that may arise after a loss occurs. One of the many troubles the adjuster has to contend with is the case of an agent who issues a hail policy, without explaining its provisions to the insured, keeps it in his office and when a loss occurs, the farmer does not know what kind of a contract he has with the insurance company. He will, very often, the day following a hail storm—when the tobacco looks its worst, largely on account of wind turning the leaves upside down—call in his neighbors, some of whom are very likely policyholders and claimants, and they proceed to "ap-



W. B. BROCK

to be watched in this branch of the business are ably reviewed by Mr. Brock, who is one of the foremost authorities on tobacco business.

The writing of hail insurance on tobacco has become increasingly popular in recent years and this branch of the hail business has become an important factor, both for the companies and for the agents. Many agents are making a very appreciable increase in premium income through this branch of the business. In Kentucky, Tennessee, Ohio and Indiana alone the 1926 premiums of tobacco business totaled nearly \$160,000. W. B. Brock, who is manager of the Hail Underwriters & Adjustment Bureau with offices at Lexington, Ky., here sums up the important factors in the tobacco business, as affecting and affected by the hail insurance agent. Mr. Brock sums up the situation both from an underwriting and an adjustment viewpoint, showing the need for cooperation and correlation of efforts by all branches of the business. The important features

the companies from unreasonable claims. Our system of adjusting losses has been incorporated in the policy, and we have tried to make it plain so that the farmer can understand it and intelligently follow the adjuster in his method of ascertaining the amount of loss and damage. Our adjusters are instructed to invite claimants to assist in making the tests and calculations, thereby allaying friction and misunderstanding to a large extent. Many claimants actually make the tests, under the supervision of the adjuster, who tabulates the results. Unless it is a small acreage, it is a rare occurrence for a hail storm to damage a crop of tobacco uniformly. Usually some parts of the field will be hit harder than other parts. Therefore, several tests are required for each crop, using ten plants to each test, in order to obtain a fair average of the physical damage. The tests disclose the number of whole leaves and fractional part of one leaf damaged or destroyed by hail. When this result has been obtained and agreed to—naturally the fellow who does the counting himself cannot disagree—the policy provides how the amount of loss and damage, in dollars and cents, is ascertained, which is a simple mathematical calculation.

All Losses Adjusted on Their Merits

It is our purpose to adjust all losses on their merits, in a uniform way, regardless of the company, agent or claimant involved.

The limits for all interests in a crop of Burley tobacco are in multiples of \$25 from a minimum of \$50 to a maximum of \$200 per acre. The limits, for all interests in a crop of Dark tobacco are in multiples of \$25 from a minimum of \$50 to a maximum of \$150 per acre.

Kentucky, the state which produces the greatest acreage of tobacco, is divided into zones and rated accordingly. The rates are from 3½ percent to 4½ percent. The rates in Tennessee are 3½ percent. The rates in Indiana and Ohio are 4 percent.

Policy Stipulations Are Enumerated

The policy stipulations and agreements, briefly, are:

1. "Market Value" or anticipated

praise" the loss according to their ideas of a "market value" of the crop. It sometimes happens that claimants will form a local "pool" and attempt to fix the amount of their losses before the adjuster arrives. Agents should use their influence to prevent this.

Cannot Count on Future "Market Values"

Of course, no one who has any knowledge of a crop of tobacco or who is not biased, would undertake to predict what the "market value" of a growing crop of tobacco would be. There are too many elements—climatic conditions, handling, disease, houseburn, over-production, under-production, grade wanted by the buyers, etc.—that may enter into and seriously effect the selling price of the crop before it is ready for market. Arguments are sometimes ad-

vanced that certain leaves of a plant or a certain percentage of the crop will make "binder" or "wrapper" leaves, and that those leaves are worth a great deal more than other leaves. There is no such "animal" in a growing crop of tobacco. To no one is given the knowledge to foretell what will happen to a crop of tobacco between its green, growing stage and its cured, marketable condition. For that reason our policy contract and adjustment system treats each sound leaf (meaning such leaves as would be harvested under normal conditions) of green tobacco, as being of equal value.

Our tobacco hail policy has been evolved after a number of years of study of actual conditions and, while we do not claim it to be perfect, we do believe it serves its purpose to indemnify the assured fairly and protect



The tobacco field shown above is one which would look good to a tobacco grower and which promises well for a rich harvest. This field, with all its luxuriant growth, is worth very little to the owner, however, unless he has protected it against hail damage. But a few minutes of attack by hailstones would reap the harvest of this field for the satisfaction of the elements, rather than the gratification of the owner. These leaves, large as they are, can be stripped and ruined for any use by even a moderate hailstorm. (America Fore Photo)



This is the way the tobacco field, practically ready for harvest, might look immediately after the hailstorm. The leaves are stripped and cut, so that they are useless. In this particular case the farmer, living in Fayette county, Kentucky, was assured of his harvest money, despite this condition of his field, for he had insured his crop at \$100 per acre. The landlord, however, had no insurance, so that his one-half interest in the crop was a total loss. This one landlord alone lost his interest in 26 acres of tobacco. (America Fore Photo)

The office of an insurance agent should be of public service to the community



Founded 1792

Insurance Company of North America

PHILADELPHIA, PA.

Statement, January 1, 1927

Assets and Liabilities

Cash Capital.....	\$7,500,000.00
All Other	
Liabilities.....	35,101,277.04
Net Surplus.....	20,548,349.78

Total.....\$63,149,626.82

Surplus to Policy-
holders...\$28,048,349.78



Organized 1904

The Alliance Insurance Company

PHILADELPHIA, PA.

Statement, January 1, 1927

Assets and Liabilities

Cash Capital.....	\$1,000,000.00
All Other	
Liabilities.....	4,145,048.41
Net Surplus.....	2,641,891.36

Total.....\$7,786,939.77

Surplus to Policy-
holders...\$3,641,891.36



Organized 1923

Philadelphia Fire & Marine Insurance Company

PHILADELPHIA, PA.

Statement, January 1, 1927

Assets and Liabilities

Cash Capital.....	\$1,000,000.00
All Other	
Liabilities.....	2,004,070.86
Net Surplus.....	1,365,812.83

Total.....\$4,369,883.69

Surplus to Policy-
holders...\$2,365,812.83

National Security Fire Insurance Company

OMAHA, NEBRASKA

Organized 1914

Statement, January 1, 1927

Assets and Liabilities

Cash Capital.....	\$500,000.00
All Other	
Liabilities.....	433,927.17
Net Surplus.....	307,170.65

Total.....\$1,241,097.82

Surplus to Policy-
holders...\$807,170.65

Prompt and efficient service to local agents and the public

RAIN INSURANCE

on
Income from
Public Events



HAIL INSURANCE

on
Growing
Crops

The Weather Is Uncertain Insurance Is Dependable

RAIN AND HAIL DEPARTMENT

JAMES B. CULLISON, JR., Manager
S. K. BJORNSON, Asst. Manager

844 Rush Street

Chicago, Illinois

profit or loss are not elements in fixing loss or liability.

3. The value of the tobacco per acre shall be the aggregate amount of insurance liability per acre, not exceeding the maximum limit of liability per acre allowed.

3. The leaf is the unit of value and measure of damage.

4. The value of the leaf is ascertained by dividing the total of all insurance carried per acre by the average number of matured leaves per acre. For example, if the yield will average 20 leaves per plant throughout the crop, and an average of one leaf per plant is totally destroyed, then 1/20 of the crop is destroyed and the amount of loss and damage would equal 1/20 of the total insurance per acre.

5. If a fractional part of one leaf is destroyed, the loss shall be in proportion.

6. A leaf broken at or near the stalk is considered a total loss. If the breakage is a fractional part of a leaf, then the loss shall be in proportion.

7. The following numbers and sizes of hail punctures shall constitute the total destruction of one-leaf:

Large (relatively 3/4-inch in diameter), 50 punctures to the leaf.

Medium (relatively 1/2-inch in diameter), 75 punctures to the leaf.

Small (relatively 1/4-inch in diameter), 150 punctures to the leaf.

8. A less number of punctures to the leaf than named herein to be in proportion as the actual number of punctures to the leaf, of the relative size referred to above, bears to the whole number of punctures required to destroy one leaf.

9. The crop insured shall contain the average number of sound plants per acre as are usually grown in the same locality.

10. All or any part of the crop affected by bad stand, waste land, or the elements (except hail) shall be eliminated. Also if all or any part of the crop is seriously affected by wildfire, root rot, rust or other disease, that part of the crop so affected, shall be excluded, and the insurance reduced in proportion.

Fixed Limit on Loss Stated in Policy

11. All hail losses shall be reported within 48 hours after the loss occurs. (The Kansas supreme court has decided that 48 hours is a reasonable time allowance to report a hail loss.)

12. The policy becomes effective on June 1 in Tennessee, and July 1 in Kentucky, Ohio and Indiana. It terminates when the crop insured is first housed or in no event to extend beyond 12 o'clock noon (Standard Time), Oct. 1, after date of policy.

13. The policy specifically provides that the measure of damage shall be on a percentage basis, APPLIED TO THE FIXED LIMIT OF VALUE PER ACRE STATED IN THE POLICY. The insured has the choice of several limits per acre when agreeing with the agent as to the amount for which the crop will be insured. Furthermore, the rate and premium is based upon the limit of value. The largest limit takes the highest rate, and hence, the loss and damage under the \$100 limit is double the amount sustained under the \$50 limit, and consequently each claimant is paid in proportion to his own limit of value and premium cost.

The policy contains provisions with reference to the filing of the proof of loss, appraisal, etc.

When a loss occurs, it is the duty of the agent to report it promptly (within 48 hours) on blank forms furnished by the bureau, according to instructions. His authority then ceases and he should not attempt to discuss the extent of the loss with the claimant or in any way commit the company. The bureau employs a number of experienced adjusters, and to the one who is nearest the loss will be assigned the claim for adjustment.

Some agents do not clearly understand how to write a partial interest in a crop. Let me illustrate the correct way. Say, John Smith, landlord, and Bill Jones, tenant, owns 10 acres, all in one field of Burley tobacco. Smith wants to insure his one-half interest at the maximum limit of \$100 per acre (Jones has the right to insure his one-half interest for the same amount) and Jones does not want to insure. The policy should be issued to John Smith for \$1,000 on his one-half interest in 10 acres at a limit of \$100 per acre. Some agents issue a policy to John Smith for \$1,000 on five acres at a limit \$200 per acre. This is wrong because

Smith owns a one-half interest in each leaf of the crop and Jones owns the remaining one-half of each leaf. Acres are not divisible—suppose a hail storm should sweep across the field and destroy five acres, doing very little damage to the remaining five acres, which partner would claim the five acres destroyed. If there should be three partners owning a 10-acre crop of Burley tobacco and each partner wanted separate insurance on his one-third interest, at a maximum limit of \$200 per acre for all interests, then a policy should be issued to each partner for \$666.66 2/3 on his one-third interest at a limit of \$66.66 2/3 per acre.

EXCELLENT RESULTS FROM USE OF UNIQUE CIRCULARS

THE value of timely and well prepared direct by mail publicity for the cultivation of hail business is shown in the unique "Hardy Hailstone" campaign, conducted by Cravens, Dargan & Co., of Houston, Tex., last year. This campaign was prepared by Price

warded for the effort. Last year was an excellent hail year, of course, so that it is difficult to distinguish the cause and effect relationship, but it believes that, this "hardy hailstone" publicity had an effect on the creation of some business. The hail premiums in



This was answered with a very forceful presentation of hail insurance. Circular 4 was a story in explanation that "Debt and Doubt Follow Hardy Hailstone." After a pause of about a week, Circulars 5, 6 and 7 were distributed. Circular 5 told of the interim between plowing and harvesting and the many hazards encountered which can be answered only by the insurance policy. Circular 6 showed hail insurance as the



this office alone amounted to \$337,600, the second largest hail year in its history. The series is being continued this year, the copyrighted "Hardy Hailstone" being put through a new series of "escapades" for the hail insurance prospect.

In Circular 1 Mr. "Hardy Hailstone" was introduced as "the hard-hearted imp who likes to play around on your crop and trample it into the ground." An excellent summary of the hail situation, both from an individual and a community viewpoint was given in this circular. A few days later Circulars 2, 3 and 4 were sent as a follow-up.

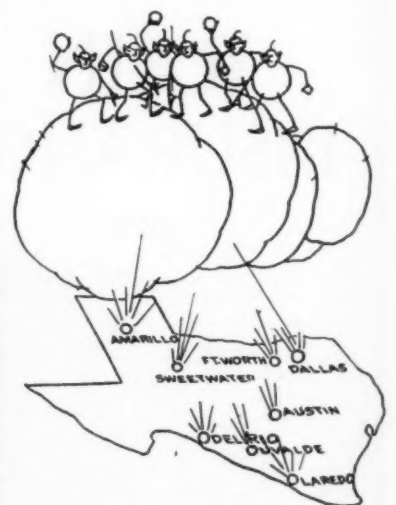
K. Johnson, whose ability at this work has been seen by those who have read "The Review," the attractive house organ of this general agency. Mr. Johnson prepared a series of ten circulars, introducing "Mr. Hardy Hailstone" and telling the story of his "life work" in serial form throughout the hail season.

The circulars were sent direct to the agents and they were asked to report the number they wished for distribution to the farmers. A large distribution was secured and Cravens, Dargan & Co. is confident that it was amply re-

protecting roof to put between the crops and hardy hailstone.

Circular 7 pictured "Hardy Hailstone" calling together his brother hailstones for a mass attack in periodic schedules, pointing out that he hits two years out of five.

Then at intervals of about 10 days, Circulars 8, 9 and 10 were sent out. Circular 8 illustrated a duel between "Hardy Hailstone" and a farmer, the



This seems to illustrate a post-harvest picture of a cornfield or perhaps even shell torn France. It is actually a South Dakota corn field which was leveled to the ground by a late July hailstorm, resulting in a 100 percent loss for the owner. This owner was fortunate in having hail insurance to replace the lost harvest money. When this is the only source of income for the farmer, he is committing economic suicide if he does not insure his crop against hail damage, covering his investment from the time it is insurable until it is in the bins. (Hartford Fire Photo)

latter warding off the blows of the battle axe received with the aid of the hail insurance shield. In Circular 9 an answer was given to the question, "Where next?" A summary of the early season storms were shown, proving that no immunity is guaranteed at any price. Warning farmers with the caution, "Don't Let This Happen," Circular 10 pictured a farmer who was "licked" by hardy hailstones and driven from his farm, his entire investment loss, through failure to properly protect his crops with hail insurance.



RAIN AND HAIL DEPARTMENT

JAMES B. CULLISON, Jr., Manager
S. K. BJORNSON, Asst., Manager

844 Rush Street CHICAGO, ILLINOIS

STATEMENT JANUARY 1, 1927

Cash Capital \$3,500,000.00 All Other Liabilities, \$17,289,115.95 Net Surplus, \$8,002,485.88
 Total Assets, \$28,791,601.83 Surplus to Policy Holders, \$11,502,485.88 Losses Paid Since Organization, \$128,182,445.85

Rain Insurance Indemnifies For Loss of Income or Expenses From Public Events on Account of Rain



Agents
Get Your
Rain
and
Hail
Supplies Now



PLOWING UNDER WHEAT CROP TOTALLY DESTROYED BY HAILSTORM



Keep Up With
the Times
and Make
Commissions
on
These Line



Hail Insurance on Growing Crops Indemnifies For Loss or Damage to Crops By Hailstorms



INCORPORATED 1924

SENTINEL FIRE INSURANCE COMPANY OF SPRINGFIELD, MASSACHUSETTS

RAIN AND HAIL DEPARTMENT

JAMES B. CULLISON, Jr., Manager
S. K. BJORNSON, Asst., Manager

844 Rush Street CHICAGO, ILLINOIS

STATEMENT JANUARY 1, 1927

Cash Capital, \$500,000.00 All Other Liabilities, \$140,668.14 Net Surplus, \$605,633.12
 Total Assets, \$1,246,301.26 Surplus to Policy Holders, \$1,105,633.12

THE NEED OF UNIFORMITY

TWELVE or 15 years ago many were of the opinion that there could be no moral hazard in the hail business, since a person could not "make it hail," and that no selection of risks or territory was necessary—in short, a business that required very little study or attention. These ideas have been pretty well exploded, since it has been learned that there is a moral hazard; that risks and territory must be carefully selected and that the business not only requires careful study but that the loss problem requires the cooperation of all engaged in the business.

Minimum Loss Clause Adopted as Safeguard

To give the crop grower protection at a fair rate, the policy has contained a provision which fixed and defined the minimum loss for which the company was liable. Considerable confusion occurred in the application of the provision, but it has now been changed and its meaning is very plain. The new paragraph is numbered 14 and the part in which we are particularly interested at this time reads as follows:

"This company shall not be liable for loss or damage by hail to any crop herein described or any part thereof, unless such loss or damage equals 5 percent or more of the particular crop so damaged, at date of loss; nor, except for such portion as is traceable directly to hail, for any loss or damage to any crop herein described or any part thereof, from any other cause or causes combined with hail. . . ."

It is my purpose to show: Why this provision is necessary; why a uniform interpretation is necessary; why a uniform application must be applied.

Problem Is to Determine Real Loss From Other

Crops are damaged by insects, disease, heat, cold, rain and wind, to say nothing of loss occasioned by poor seed and poor farming. In certain sections of the country there is seldom a rain-storm which is not accompanied by at least a few scattered hail stones. It would be very unusual should a heavy rain not cause loss from shelled out grain in a field of ripening grain, and if the rain were accompanied by wind, a loss would be certain. The problem confronting the adjuster is not only to determine the amount of loss by hail, but to distinguish between a real hail loss and loss from causes other than hail.

Rates for hail insurance are based on the loss cost and therefore it is absolutely essential that the companies' loss cost be the true loss cost. It is a self-evident fact that the necessity for carrying hail insurance is due to the probability of a heavy or total loss. Persons who have carefully analyzed the business of hail insurance and are familiar with the fact that crops are subject to loss from causes other than hail, which may, or may not, be difficult to distinguish from actual hail damage, tell us that the purpose of hail insurance would be entirely defeated, were the companies not to guard against the payment of trifling hail losses and losses from causes other than hail. Furthermore, the combined company statistics disclosed that in order to give the crop grower protection against the real hail loss at a fair rate, the trifling hail loss and loss from other causes must be eliminated.

All Should Work Alike for Improvement

If the company loss cost is not the true loss cost the rates will be higher than they should be and should the loss cost continue to increase, the rates must follow and eventually a point will be reached where hail insurance can no longer be carried by the square shooting farmer, however much he may realize

By Z. A. HAZARD
Hail Manager, National Union

the necessity. Hail insurance is an economic necessity and it behooves the agent, the insured, and the companies, alike, to work for the betterment in hail insurance practices so that the premium rates may be kept at a point where every

honest farmer can afford to carry this much needed form of protection. The agent and insured must also be sold on the proposition that no unmeritorious losses be reported, since even where the insured releases the claim upon evidence

CANADIAN HAIL BUSINESS HAD UNSATISFACTORY YEAR

HAIL insurance in Canada suffered a notable setback in 1926, somewhat discouraging to the hail underwriters who believed a definite trend towards improvement had been established. The experience last year was not as disastrous as that of 1923, but it was sufficient to put the business in the red and cause a rate readjustment for this season. Premiums fell off last year and at the same time losses increased notably, so that the final result was a loss ratio of over 66 percent, the highest loss rate since the 1923 record of 93 percent. Following the disastrous experience of 1923 there was a reorganization in the hail field and a marked improvement was shown in 1924, the premiums were very nearly cut in half and the loss ratio reduced to 48 percent. In 1925 a further notable improvement was made, premiums returning to the 1923 level, but losses reducing to the 39 percent ratio.

Last year, however, the premiums fell off again and losses returned to an unprofitable basis.

In 1926 there was a considerable shift in the regional loss experience. The province of Alberta had been the black spot on the hail map for the past three years, but Saskatchewan suffered a more disastrous year and reported a loss ratio of 74 percent. The province of Manitoba was the only one to show an improvement, reducing its loss ratio to slightly under 30 percent. Even in the provinces the distribution of losses was "spotty," so that the rate readjustments for this year have not followed any set rule, but have been readjustments and not necessarily increases. In some sections rates were reduced and in others increased.

The 1926 hail experience in Canada, by companies and by provinces, is shown as follows:

Stock Company Results in the Three Canadian Hail Provinces During the Past Four Years

	1926	1925	1924	1923
	Prem. Losses	Prem. Losses	Prem. Losses	Prem. Losses
Manitoba	\$ 467,007 30	\$ 424,572 31	\$ 279,030 33	\$ 479,191 25
Saskatchewan	2,703,808 74	2,890,067 33	1,874,859 42	3,390,534 85
Alberta	1,632,189 64	1,703,087 53	1,144,137 61	1,229,745 142
Total	\$4,803,004 66	\$5,017,776 39	\$3,298,026 48	\$5,000,770 93

Synopsis of Premiums and Losses as Filed by Members of the Canadian Hail Underwriters' Association in 1926

	Manitoba	Saskatchewan	Alberta
Company	Prem. Losses	Prem. Losses	Prem. Losses
Acadia Fire	\$ 7,992 \$ 1,401	\$ 27,124 \$ 20,531	\$ 11,748 \$ 5,768
Aetna	1,311 293	41,429 39,950	29,702 15,758
Agricultural	.....	14,991 14,129	.....
Alliance Assurance	5,029 2,211	70,589 39,672	.....
Bee Hail	17,804 2,739	39,131 32,145	27,245 11,776
British Crown	3,484 1,525	55,963 31,752	40,794 18,118
British Traders	2,132 76	10,953 7,884	5,360 2,817
Canadian Indemnity	25,854 14,163	96,748 59,095	84,989 41,326
Canada Security	8,094 5,203	33,129 25,798	34,800 25,461
Car & General	17,595 7,499	82,236 68,125	126,464 90,172
Citizens	2,432 428	55,071 26,136	3,392 455
Connecticut	26,000 9,254	137,432 48,542	50,231 36,412
Eagle, Star & Br. D.	8,526 1,315	20,828 12,249	23,612 17,630
Employers' Liability	10,564 5,803	89,307 63,456	111,980 89,322
Equitable F. & M.	8,190 1,510	43,110 76,054	20,632 16,406
Farmers Fire & Hail	.....	18,282 2,886	37,150 16,479
Federal	1,079 337	155,085 147,303	17,585 12,394
Franklin Fire	385 160	5,096 5,112	7,050 5,081
General Accident	9,544 5,853	66,425 41,268	19,902 14,612
Gen. Acc. Fire & Life	14,003 2,578	146,042 50,931	39,040 35,046
Glens Falls	36,541 8,299	86,610 86,202	58,355 48,863
Great American	7,072 1,062	20,403 23,831	9,023 6,417
Hartford	20,740 11,082	156,275 139,575	55,177 38,696
Home	12,612 2,514	110,763 52,595	139,423 86,688
Insur. Co. of No. Amer.	10,342 2,428	42,468 15,841	44,610 31,714
London-Canada	987 683	9,517 5,229	24,837 19,941
London Guar. & Acc.	2,821 1,000	39,707 30,303	39,600 18,809
London & Scottish	21,406 3,687	53,400 32,526	18,064 5,595
Merchants Fire	.....	137,991 143,606	.....
National Provincial	77 107	42,724 25,034	55,257 61,825
National Union	.....	21,640 35,004	.....
New York Under	50,711 13,528	88,415 61,305	7,477 563
Niagara	1,067 469	40,203 31,212	13,475 6,248
Nova Scotia Und.	3,834 889	15,507 11,891	20,758 16,592
Occidental	17,742 5,187	126,528 111,011	25,408 19,657
Phoenix Assurance	7,002 1,401	27,124 20,531	11,748 5,768
Phoenix, Hartford	11,234 3,238	54,567 24,310	27,841 18,886
Rochester Und.	.....	21,976 21,069	43,413 18,991
Royal Exchange	2,339 430	68,704 65,961	65,810 38,334
Scottish Canadian	5,721 763	23,107 12,944	26,562 10,613
Security, New Haven	.....	40,210 11,247	17,845 18,342
Springfield F. & M.	5,420 1,643	41,105 34,305	23,037 11,137
St. Paul F. & M.	672 40	43,137 33,839	19,885 16,301
Union of Canton	14,537 2,176	19,285 10,480	44,126 27,137
United Assurance Und.	14,133 627	68,571 74,639	64,644 21,993
Westchester	38,587 14,777	40,074 47,692	52,850 28,143
Western Under	3,795 1,045	23,581 12,981	12,310 8,270
Winnipeg Fire Und.	4,333 323	11,320 11,420	16,171 6,142

\$ 407,007 \$ 138,745 \$2,703,808 \$1,999,604 \$1,632,189 \$1,046,698
20.71% 73.95% 64.13%

that no loss exists under the terms of his policy, the companies are nevertheless put to great expense viewing these "no loss" claims. This needless expense item is also necessarily reflected in increased rates.

Uniformity in Adjustments Will Improve Situation

Right here, I wish to say that I was born on a farm and brought up on a farm and have been dealing with farmers ever since I engaged in business, and I have found that the honesty of the farmer will favorably compare with the honesty of any class of people. When adjusters interpret and apply the policy contract uniformly and adjust losses so carefully and accurately that a number of adjusters inspecting the same loss, independently of the other, arrive at practically the same award, then the farmer will report fewer trifling losses and less difficulty will be experienced in adjusting such losses, if reported.

Under the present system of adjusting, there should be no occasion for the wide divergence of opinion that has hitherto existed among the adjusters as to the amount of hail loss sustained. Barn-yard adjustments are no longer tolerated. It is not only expected but demanded that the adjuster, in determining the loss "walk the field" and make careful counts in every field so that he can determine the loss with mathematical certainty. The farmer, the agent and the company are alike entitled to this real service in order that the insured may receive every penny of loss to which he is entitled under the terms of his policy,—no more nor no less.

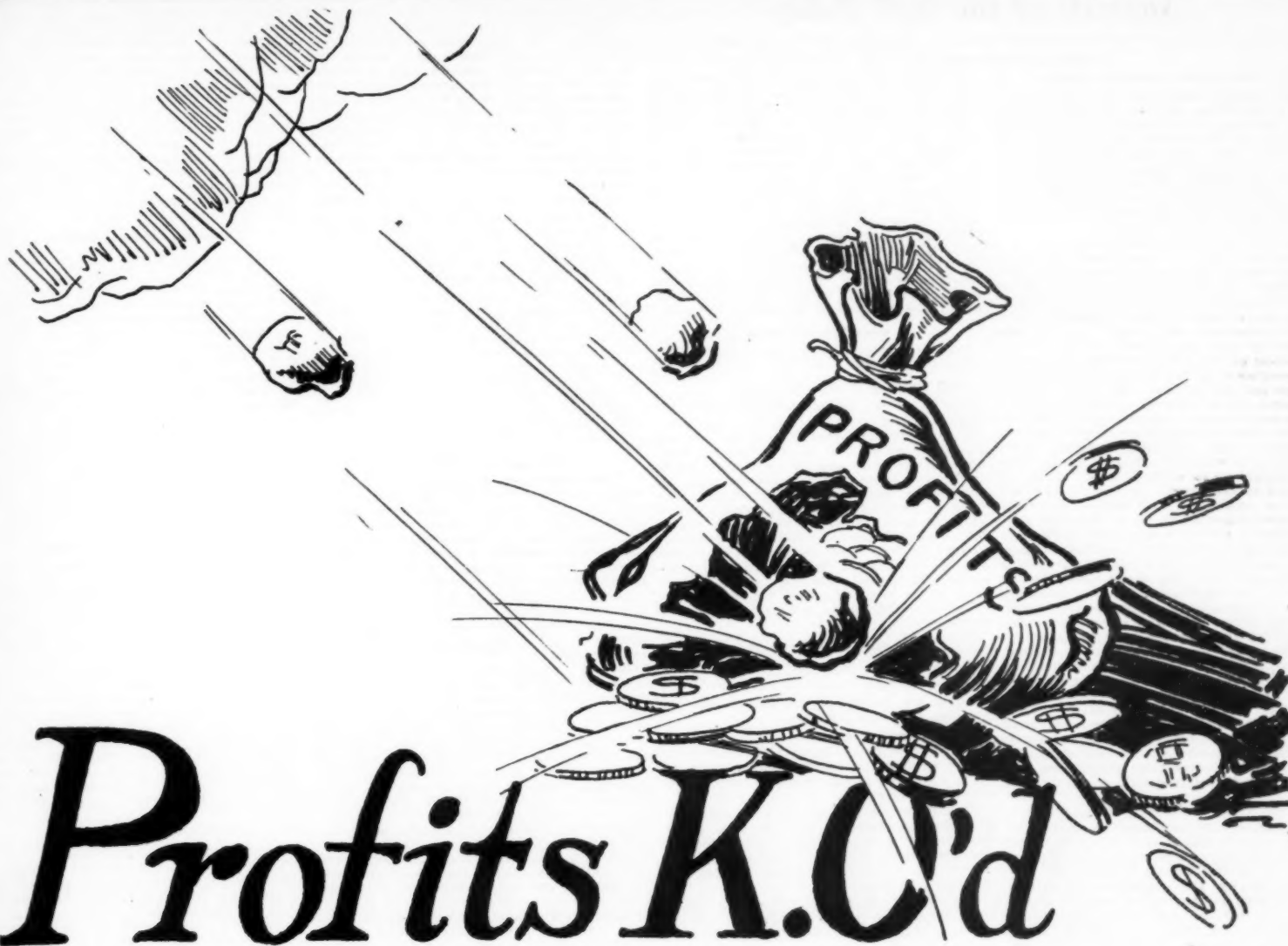
Policy Covers Loss, Not Hail Storm

It should be impressed on the insured in the event of "no loss," where insured puts up the argument "I had hail here and there must be some loss," that his policy does not provide protection against hail but against direct loss or damage by hail. When a loss by hail does not equal five percent of the particular crop damaged, the adjuster should secure a release, if possible, but if he is unable to do so, he should "prove up on the field" since to make an award when none is due is simply purchasing a signature.

Adjusters must be courteous, painstaking and accurate, and when the amount of loss by hail for which the company is liable has been determined the adjustment must be made for that amount—no more or no less. The adjuster has no choice in this matter—he is authorized to adjust losses only in accordance with the contract between the company and the insured—and when he does not do so, he not only violates a trust, but injures his own company who is giving him employment, and other companies as well. Furthermore, he is injuring the agent, the crop grower and the insuring public, since it is against public interest to create a false loss cost.

Seek to Put Business on High Plane

The intent of the company—and I believe I am expressing the intent of all companies in the hail insurance field—is to put the hail insurance business on as high a plane as that occupied by any other form of insurance, and with all parties to the transaction—the agents, the insureds, and the companies—working together for the elimination of the abuses that have marked the business in the past, unwarranted loss costs and needless adjusting expense can be eliminated, resulting eventually in reduction of rates and a wider acceptance of Hail Insurance by the multitude of honest square shooting farmers who, while they feel the need of carrying hail insurance, have hitherto kept aloof because of high rates occasioned by unfair claims and claimants.



Profits K.O'd

Hail has delivered the knock out blow to many a farmer's crop profits. The end comes suddenly and often unexpectedly out of a clear sky.

The farmer who makes a business of raising crops for his livelihood must necessarily assume the chance of their being destroyed by Hail unless—his business ability carries him a step farther to the protection of Hail Insurance.

During the year 1926 farmers holding Hail Insurance policies in The Home of New York were paid in settlement of losses over one million two hundred thousand dollars.

Hail can put the K. O. on crop profits but—

Hail Insurance can K. O. hail damage.



THE HOME INSURANCE COMPANY NEW YORK

CHARLES L. TYNER, President

59 Maiden Lane - - New York

Analysis of the Hail Policy

(CONTINUED FROM PAGE 4)

THE HAIL APPLICATION

Having explained the general principles pertaining to the making of the contract and as to insurable interest and writing in the title of the insured with his post office address, the county and state of his residence, it is now proper to discuss specific clauses of the general form hail application, 1927. The first paragraph in the hail application reads as follows:

"I, Post Office County of State of hereby make application to the Insurance Company of for insurance upon growing crops, hereinafter more specifically described, against direct loss or damage by "HAIL" only to the amount of DOLLARS (\$.....), beginning twenty-four (24) hours from the hour and date of the actual signing of this application by me and the agent of this company, unless otherwise provided hereinafter, until twelve o'clock noon of the expiration date provided hereinafter for the respective crops covered hereunder, unless otherwise provided hereinafter, or by special agreement in writing added hereto at the time of the signing of this application; it being understood and agreed that this insurance takes effect from the time provided herein for the commencement thereof, in accordance with the conditions hereof, and is held binding as a special agreement until twenty-four (24) hours after the receipt of this application by this company at its policy-writing office, during which time this company will either complete the contract by the issuance of a policy or reject the same by telegram or registered mail to the address given above, and all liability hereunder will immediately terminate when such rejection reaches the post office or telegraph office at the above address, otherwise this insurance will continue for the term provided for herein under the following conditions and subject to the stipulations and conditions printed on the reverse side hereof, to-wit: "

Defines Time Limit

Stripped of its explanatory verbiage, this paragraph means that the insurance becomes effective 24 hours after the hour and date of the actual signing of the application by the applicant and the agent of the company and is held binding as a special agreement until 24 hours after the receipt of the application by the company at its policy-writing office and that the company will, within 24 hours after receipt of the application at its office, either complete the contract by issuing a policy or will reject the application by telegram or registered letter mailed to the address as given in the application.

Rejection Provision Clear

It will also be observed that in case the application is rejected, the liability terminates when such rejection reaches the post office or telegraph office of the applicant as stated in the application, whether or not the telegram or letter is delivered to the applicant.

If the company issues the policy, the insurance, of course, applies commencing 24 hours from the hour and date of the actual signing of the application by the applicant and the agent of the company and continues until date of expiration as provided in the following paragraph, which paragraph states the precise date and hour of expiration on particular crops in individual states and which needs no further discussion as same is self-explanatory.

Schedule of Property Insured

The application next states:

"This application to cover on the following described growing crops: "

which sentence is followed by a schedule form divided into columns describing the crops insured, under the following headings: (a), Insured's interest, give percent; (b), number acres insured; (c), kind of crop; (d), quarter section; (e), section number; (f), township number; (g), north or south; (h), range number; (i), east or west; (j), insurance per acre not exceeding; (k), amount of insurance; (l), rate; (m), gross premium; all of which headings are self-explanatory except perhaps it is necessary to state that the total number of acres in the field actually insured must always be stated and the insured's interest in the crop should be stated, as "all interest," "33 1/3 percent," or "75 percent," etc.

It must also be borne in mind when

insuring a partial interest in a crop that the applicant owns a partial interest in each and every acre of the crop and in each and every plant in the crop, therefore, if an insured desired to cover his one-half interest in 100 acres of wheat at \$10 per acre, the application would read: "50 percent interest in 100 acres of wheat at \$10 per acre, amount of insurance \$1,000," and it would be an error to have the application read: "All interest in 50 acres of wheat at \$20 per acre, \$1,000." A good rule to remember in writing the description of a partial interest is that: "The number of acres multiplied by the dollars per acre must equal the amount of insurance carried."

Location Specified

Under the schedule, the next clause reads:

"All situated in the County of State of as per diagram below."

which statement is followed by several sectional plats which are laid off into quarter sections and areas of ten acres each. In the blank provided for county, the name of the county in which the crop is located should be written and also the name of the state in the blank left for that purpose. On the diagram should be indicated, as nearly as possible, a drawing or map of the field insured. It is well, also, to, by interlineation, show the acres and the particular crop, as "100 acres wheat," "20 acres barley," etc.

Six Statements Certified

Following the diagram, the next statement appearing reads as follows:

"I, or we, hereby certify and declare as true the following statement: "

following which appears six statements which are to be made by the insured, in so far as same pertain to the particular crop which is being insured, and which are as follows:

"1. That the number of acres of each crop, herein described, is true; that I am the (owner or tenant) of the land herein described, with growing crops thereon, and my interest is as stated under the heading, 'Insured's Interest.' "

The above declaration or certificate consists of two parts, the first of which certifies that the number of acres as described in the schedule above is true; the second part states whether the applicant is the owner or the tenant of the land on which the crops are grown, and also further states that his interest in the crop, as stated in the schedule, is correct.

Certify as to Ownership

The second certificate reads as follows:

"2. That the name and address of the

land owner on which these crops are growing is of and the tenant is of"

This certificate is required in order to establish the name and address of the land owner on which the crops are grown, with his address, and the name of the tenant of the land on which the crops are grown, with his address. This declaration is very important and should always be filled in as it is frequently very necessary to establish the land owner and the tenant in order to determine the insurable interest, if any, in the crop.

The third certificate reads as follows:

"3. That the crops above described are all the crops of like kind I own, or have any interest in, on this section or location or adjoining locations except (state fully—use extra sheet and diagram). "

This certificate further states that the crops described in the application are all of the crops of like kind owned by the applicant or in which he had any interest in the particular section or location or adjoining locations with exceptions, if any. If the insured has no other crops as indicated the words "No Exceptions," should be entered in this blank. If he has other crops adjoining, then he should describe the other crops.

Exceptions Explained

The purpose of this clause is to definitely establish the fact that the insured has no other crops of like kind immediately adjoining the crops insured. This, for the purpose of preventing an applicant from insuring a part of his crops without fully describing same and then should a loss occur, permit him the opportunity of claiming that the insurance covered that part of the crop which was damaged and, too, some unscrupulous solicitors sometimes state to an insured that he may write what is termed a "blanket" application. For illustration, if an insured has 100 acres of wheat all in one body and it is almost impossible to sell him a hail policy, as a last resort, the solicitor will say that insurance can be carried on 50 acres and will apply to the whole tract of 100 acres and that if a storm occurs damaging one end of the crop, he could claim that that end was insured. If a case of this nature arises, the adjuster would, of course, impose other conditions of the application which are found under stipulations and agreements and would apply the insurance to the entire acreage and reduce the amount of insurance one-half on each acre, that is, unless the insured in the application had stated that a particular 50 acres of the crop was insured. For illustration, the words might be: "Covering the north 50 acres, the south 50 acres not being insured."

Condition of Crops

The fourth certificate reads as follows:

"4. That the crops upon which insurance is applied for have not been damaged by hail previous to the date of this application. "

It will be observed that this clause is

printed in bold face type. The purpose of same is to establish the fact, over the applicant's signature, that the crop has not been damaged by hail previous to the date of the application. Most companies will not insure crops which have been damaged during the present growing season by hail prior to the time the application is submitted and it is recommended that no company accept such insurance unless the crop has been inspected by a competent adjuster of the company and an agreement entered into as between the applicant and the company as to the extent of the damage due to storm prior to the placing of the application for insurance.

Combats Procrastination

Another reason for this clause in the application is that it has been found by experience that many farmers will procrastinate when it comes to the placing of their applications for insurance and some times wait until after a hailstorm has occurred and then rush into town and wish to purchase insurance. If all companies would refuse to write insurance on crops which have been damaged by hail, it would assist the local agent in selling insurance at a time when the farmer would receive full protection, and too, there is no reason for delaying the placing of applications for insurance since the rate is a reasonable rate, that is, a flat rate is charged for the entire season and no reduction is made for coverage for a short period of time.

Non-Duplication Certified

Clause No. 5 reads as follows:

"5. That I, or we, have no other insurance against hail or application for such insurance pending, on any part or all of the crops which this application covers, except as follows (give names of companies and amounts of insurance, if any). "

This clause is self-explanatory and is used for the purpose of establishing whether or not there is other insurance on the crop, at the time the application is submitted. Of course, if other insurance is carried on the crop, the exception should be noted in the blank left for that purpose, by giving the name of the company carrying the insurance and the amount of insurance carried on each crop.

Certain Crops Listed

Clause No. 6 reads as follows:

"That sugar beets, field beans, cucumbers, melons and/or cotton covered by this application were up and showed a stand on the day of 192....."

This certificate need not be executed except when application is made for insurance on sugar beets, field beans, cucumbers, melons and/or cotton, in which case the date on which said crops were up and showed a stand should be filled in, in the application. This is a very important clause and when such crops are written the applicant should definitely state the date on which the crops were up to stand, as it will be shown by the terms of the application, this has considerable bearing on the date on which the insurance applies, as provided in paragraph 6 under "Stipulations and Conditions" on the back of the application.

Mortgagee Clause

The mortgagee clause in the hail application reads as follows:

"Loss, if any, payable to mortgagee, as interest may appear; subject, nevertheless, to all the conditions of this application and policy, if issued. "

The loss payable and mortgagee clauses are personal, they protect the mortgagee and not the mortgage, therefore, it naturally follows that if the mortgage is sold or transferred the policy should be endorsed, making loss payable to the new mortgagee. If the mortgage is paid off and a new mortgage is executed to the same party, under a hail policy, it is not usual to require an endorsement, however, for the protection of the mortgagee it is recommended that an endorsement be executed.

Will Guard Mortgagee

If the policy contains no provision making loss payable to a mortgagee, there is no obligation on the company's part to pay such loss to the mortgagee. However, where the company has notice of a mortgage, payment of the loss will be held up for a reasonable time in order to permit the mortgagee to "garnishee" or the company will issue the draft payable to the insured and mortgagee jointly, provided the insured agrees to such action. Therefore, where notice of mortgage is served on an adjuster or an agent, such notice should be immediately relayed to the company.

In the writing of hail insurance, it



The above photo shows what can happen when Nature goes on a rampage. Less than ten minutes of the threshing force of hailstones beat this field of full grown corn to the ground. The fate of this field before and after the storm can be seen by the few stray stalks left standing, fully six and seven feet high. These huge stalks, so large that it would be difficult for a person to break some of them, were beaten and broken to within a few inches of the ground, the entire crop a total loss. (Hartford Fire Photo)

On account of the particular conditions applying to the growing stage of corn



Wherever Farming is Done Hail Insurance is Needed

The Hartford Fire Insurance Company of Hartford, Connecticut, the leading Hail Writing Company of the world, offers its agents every facility for satisfactorily handling Hail Insurance.

Our several branch offices, conveniently located in the heart of America's great farming districts, are thoroughly equipped to give prompt and efficient service to all agents.

Each Department maintains a corps of experienced and courteous Adjusters who are thoroughly competent to properly take care of all losses.

All communications with reference to Hail business will receive prompt attention if addressed to the following branch offices:

HARTFORD FIRE INSURANCE CO. HAIL DEPARTMENT OFFICES

Denver, Colorado, (314 Boston Building), writing business submitted from Colorado, and Wyoming.

Des Moines, Iowa, (605 Old Colony Building), writing business submitted from Nebraska and Iowa.

Minneapolis, Minnesota, (1015 New York Life Bldg.), writing business submitted from North Dakota, South Dakota and Minnesota.
Wichita, Kansas, (421 Wheeler, Keller, Hagney Bldg.), writing business submitted from Kansas and Oklahoma.

Chicago, Illinois, (410 North Michigan Avenue), writing business submitted from Illinois, Indiana, Kentucky, Michigan, Missouri, Ohio, Tennessee and Wisconsin.

WESTERN DEPARTMENT
Chicago, Illinois
A. G. DUGAN, GENERAL AGENT

plants, it became necessary to adopt this clause in order to do away with the multitude of claims which were filed on early storms. While the corn plant is small, it is in what is termed the "grassy stage." The full number of leaves which the plant will ultimately produce are wrapped into a kind of stem, all growing from a joint or node near the ground. As the plant develops this node separates and other nodes are pushed out in much the same manner as a jointed telescope might be extended.

The first provision in the corn clause provides that no liability shall attach until at least 75 percent of the plants have formed the second joint above the ground and such second joint is clearly visible from an outside inspection when the outer sheaf is removed. This provision clearly describes stage of growth which the plant must have reached before liability attaches. It has been clearly demonstrated by investigation that the stripping of the leaves from a corn plant up to the stage of forming of the second joint will not materially affect the ultimate production of the grain crop.

Storm Loss Varies

The second provision of the clause states that no liability is assumed for damage to corn stalks or leaves unless such damage shall affect the grain product thereof and then only to the extent that said product has been affected. It has been found by experience, and by test, that the stripping of the leaves during the stage of growth from the development of the second joint to the dough stage of the grain in the ear will affect the making of the mature grain crop in various ratios dependent upon the stage of growth of the plant at the time the stripping occurs, and tables have been prepared whereby, by taking into consideration the leaf area of the plant and its stage of development, it can be ascertained within a reasonable degree of certainty the percent of reduction which will occur in ultimate production of the grain crop.

Cover Only Grain Crops

The third part of the clause provides that after the grain has reached the dough stage no allowance shall be made because of damage to leaves. This by reason of the fact that it has been clearly demonstrated by test that the stripping of the leaves after the grain has reached the dough stage will not materially affect the total production of the grain crop.

From the above it will also be observed that the insurance applies only to the grain crop, or the production thereof, and that insurance cannot be purchased covering fodder crops or ensilage crops.

Grain Clause

"5. If this policy covers on grain crops other than corn no liability attaches until the plants have jointed and at least 75 percent of the plants have attained a height of ten (10) inches above the ground measured from the ground to the tip of the longest leaf. If this policy covers on flax no liability attaches hereunder until at least six (6) leaves (in addition to the original two leaves) have been borne by at least 75 percent of the plants."

Not Always a Loss

It became necessary to adopt the above clause in order to eliminate the thousands of claims which were being filed on account of early storms which occurred on small grain crops or flax while still in what is termed the "grassy stage." It will be remembered that in the winter wheat country it is the practice of growers to pasture the crop in the fall and late in the spring and it has been found that such pasturing really benefits the crop, while in dry farming districts it is the custom of some growers to harrow the small grain crops early in the spring while the plants are still in the grassy stage, thus producing a dust mulch for the purpose of conserving the moisture.

No New Discovery

I would also call your attention to the fact that hail underwriters were not the first people who discovered that hailstorms would not damage crops while they were still in the grassy stage, and I refer you to the Bible—Exodus, Chapter 9, Verse 18—where you will find that Pharaoh could have saved the livestock and crops of the Egyptians had he granted the request of Moses for the freedom of the Israelites, etc. In other words, he could have purchased hail insurance by releasing the Israelites, but

he did not choose to do so; therefore, according to Exodus 9, Chapters 13-35, a hailstorm was inflicted upon the Egyptians, and it states that the barley in the ear and the flax in the boll were destroyed, but the wheat and the rye were not smitten, for they were not grown up.

Need we resort to any other proof to convince honorable growers that they cannot suffer damage to their crops until the plants have jointed, or at least until 75 percent of the plants have attained a height of ten inches above the ground measured from the ground to the tip of the longest leaf.

Beans, Sugar Beets, Cotton

"6. If beans, sugar beets and/or cotton are covered hereunder, this insurance does not take effect until said crop is up and shows a stand, nor cover loss or damage to bean, sugar beet and/or cotton stalks, leaves and/or squares and blooms unless such loss or damage shall affect the product thereof, and then only to the extent that the product thereof has been affected, but in no event shall this insurance cover sugar beet and/or cotton stalks, leaves and/or squares and blooms after twelve (12) o'clock noon, September 15, prior to the date provided for the expiration of this insurance; it being further understood and agreed that not to exceed one-third of the amount of insurance applied for hereunder shall take effect before twelve (12) o'clock noon on the fifteenth day after beans, sugar beets and/or cotton were up to a stand, and not to exceed two-thirds of the said amount of insurance between twelve (12) o'clock noon of the fifteenth day and twelve (12) o'clock noon of the thirtieth day after said beans, sugar beets and/or cotton were up to a stand; said date when such beans, sugar beets and/or cotton were up to a stand being stated by the applicant in the application on the reverse side hereof; on cotton the liability under this policy shall be reduced in the same ratable proportion in which said cotton crop, or any part thereof matures. When a cotton boll opens it shall be considered as matured and all liability thereon is terminated. Upon the payment of any loss on bean, sugar beet and/or cotton crops insured hereunder, the amount of insurance, on each and every acre, shall be reduced in the same percentage as is the ascertained gross percentage of loss by hail to such crops."

Six Parts to Clause

Analyzing the above clause, it will be observed that it connects up with the question asked on the front of the application where the insured states the date that the specific crop of beans, sugar beets and/or cotton was up and showed a stand, and really the clause must be divided into six parts in order to clearly understand same.

(a) The crops must really be up and show a stand or no liability attaches.

(b) After the crop is up and shows a stand no liability attaches for damage to stalks, leaves, squares or blooms, except as such damage from hail may affect the making of the ultimate crop and the company, in that case, is only liable to the extent that the product has been affected.

(c) It must be observed that no liability attaches for damage to stalks, leaves, squares or blooms after Sept. 15.

Liability by Periods

(d) The clause also provides that during the 15-day stage of growth from the time the crop is up to stand, only one-third of the liability attaches; while during the 15-day period, 15 days after the crop is up to stand and 30 days after the crop is up to stand, two-thirds of the liability attaches, that is, if a storm should occur during the time that the crop is up to stand and the first 15 days thereafter, the percent of ascertained physical damage to the plants or the making of the crop would be applied to only one-third of the insurance and the loss determined accordingly; while if the storm occurs during the period 15 days after the crop is up to stand and 30 days after the crop is up to stand, then such percentage would be applied to only two-thirds of the insurance provided for in the face of the policy.

(e) Next it must be observed that the clause provides that the liability of the company expires on cotton when the crop matures and also states that cotton shall be considered as mature when the boll opens.

Affects Adjustments

(f) And finally the clause provides that upon the payment of any loss, the amount of insurance on each and every acre shall be reduced in the same percentage as is the ascertained gross percentage of loss by hail to such crops.

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SOME ADJUSTMENT PROBLEMS

By O. A. SCHOLLANDER

THE adjustment of a hail loss on the growing crop presents a number of difficulties that are unique in their difference from other adjustments. To begin with, the company cannot replace or repair the damaged property and, if there is any chance that the merits of the claim are to be settled in court, it is essential that the case be prepared as soon as possible, as the evidence will gradually disappear and make the defense more difficult for the company.

Lack of Actual Value a Handicap

Neither has the crop or the damaged portion any exact monetary value, the value being merely potential. The amount of damage is determined by the ratio of the damaged part of the crop to the entire crop before the hail storm and the assured will receive the same proportion of the face of his policy that the damaged portion bears to the entire crop.* The season of the year as well as prior and subsequent weather also has an important bearing on the ability of the crop to recover and lessen the apparent hail damage.

Owner of Crop Is Always Prejudiced

To the owner of a good crop who has watched its progress from week to week because his financial life depends upon its successful maturity, the hail storm is a tragedy. To him his crop was a little the best in the neighborhood and his damage a little the greatest. Too often previous crops have failed to yield up to expectations and unfortunately the hail damage is cited as the sole cause. Most assureds are honest and willing to accept a fair adjustment when they have been convinced what is hail damage and what is not. All reliable companies and their adjusters wish to pay the full hail loss but very properly refuse to pay damage caused by weather, insects or disease, and upon their identification and elimination and the assured's acquiescence rests the largest share of the adjuster's burden.

Personality Is Big Factor in Discussions

An adjuster must remember that each assured is a different individual and the discussion of the hail loss will vary accordingly. You must never consider any time wasted that serves to disarm the assured of any suspicion he may have against the company. Be courteous and good humored but don't make the mistake that blarney or soft soap is the foundation on which to build a feeling of confidence.

Adjuster Must Know Business Thoroughly

In order to be a successful adjuster, you must first know your business thoroughly, for how can you convince the assured of something of which you yourself are not sure. You must be able to differentiate hail damage from any other loss present and also be able to identify the enemies of the crop you are adjusting. Your education should be such as to qualify you at all times to lead the discussion and your training should convince you what methods to pursue.

Diplomacy and Tact Are Two Essentials

Your personality should permit you to disagree with the assured without antagonizing him and your arguments should be convincing without being domineering; for few adjustments have ever been equitably concluded after the element of good feeling has disappeared. It is of small benefit to you to be able

*Note: Most companies now use the non-value clause, which provides that in no event shall the company be liable for more than the actual loss sustained.

O. A. Schollander is special agent for the St. Paul Fire & Marine in North Dakota. He is not only a business producer, but an authority on adjustments, particularly the differentiation between grain losses. Mr. Schollander has found that one of the adjuster's chief difficulties in the field has been his ability to decide just where the hail damage stopped and the damage from disease or parasites began. In this article, he has analyzed the various essentials entering into an equitable loss adjustment. He has given in some detail the important things for which an adjuster must look in going over a field in which a loss has been incurred. It is an excellent review of the situation in a nontechnical style and a valuable guide for hail adjusters.

to ascertain the damage and then fail to convince the assured. You should be old enough to command the respect of the assured and young enough to be able to walk through the fields all day long. A full day's work will require walking from 10 to 15 miles and when this is done in the heat and through tangled grain, the physical effort required is not to be overlooked.

General Appearance First Consideration

In first entering a hailed field you should pay attention to the general appearance of the crop. Does it show the ear marks of a hail storm or does it show evidence of having been damaged by some other enemy of that particular crop. No investigation is complete that does not give the adjuster an opportunity to see the entire field because hail storms are very freakish and often one end of a field will be entirely annihilated while the opposite end will be comparatively undamaged. Also a single field

sown to the same crop will vary in amount of damage because the crop has been sown at different times and because the previous tillage methods on different portions of the field have varied and have affected the vigor of the crop. It is also true that different varieties of the same grain will sustain damage in different degrees.

Date of Storm Is to Be Closely Watched

The general appearance of the crop should convince you as to the approximate date of the storm which will enable you to ascertain if it occurred subsequent to the date of issue of the policy you are adjusting from. Practically all companies refuse to insure a crop that has been previously damaged but some unscrupulous crop owners wait until after a storm and then secure a policy by misrepresentation. They will generally report a loss after the first rain, expecting to get paid for the loss which occurred previous to the

date of the policy. For this reason, you should be keenly on the alert for evidence that indicates that the damage occurred previous to the date of the storm you are asked to investigate. If the assured's story does not seem reasonable, it is well to adopt the attitude of "Stop, Look and Listen," and it may be profitable to interrogate the neighbors before making any settlement. After satisfying yourself that everything is in order, you should look for specific evidence. If the crop is headed and the hail stones have not been large, 95 percent of the broken stalks will be broken between the upper joint and the head. The larger the hail stones, the greater the likelihood that the stalks will be broken lower down also.

Various Methods of Estimating the Damage

The methods to employ to determine the amount of damage from broken stalks are various such as estimating, marking out a given area or a single drill row from three to ten feet long and counting the broken and unbroken stalks and obtaining the percentage accordingly. All such methods have their advantages and disadvantages and you will have to adopt one that fills your needs best. In all tests you must see to it that the place selected to test is a fair average of the field as you may be "steered" into an area that is not representative. In averaging tests that differ much in degree, you should bear in mind the approximate acreage represented by each test to prevent too many tests being taken in the worst places. Get the assured to assist in the adjustment as much as possible and he will be better satisfied with the final award.

If the crop is nearly ripe, it may sustain considerable damage by having the kernels knocked out of the heads without many stalks being broken. This is known as shatter loss and is especially true of oats, barley and velvet chaff wheat. Other varieties of wheat and flax are less susceptible to easy shelling.

Shatter Loss Is Often Over-Estimated

In arriving at the amount of loss from shatter, you will find it advantageous to compare the amount of shelled grain on the ground with the number of stalks in the drill row, or with the amount of grain sown per acre in order to get the percentage. It is quite likely that shatter damage is overestimated to a greater degree by the assured than any other type of damage known. If the storm occurred at the time when the grain is just beginning to head, the leaves may be bent over sharply just above the head, forcing the head to emerge sideways, thereby bending it crooked, which makes a bad appearance to the field. This type of damage will correct itself gradually and very rarely results in a material decrease in yield.

Delay Profitable on Young Crop Damage

Oftentimes a severe storm will occur before the crop has sent up a stalk. In this case the leaves may be badly battered and whipped, and the crop will appear very bedraggled. This is particularly true of such crops as wheat, oats, barley, rye and corn. Corn especially may be battered almost beyond recognition when small and yet will soon lose all traces of damage. This is possible because the new leaves grow from the inside of the stalks and the original leaves soon wither and die anyway. In such cases the adjustments can be profitably delayed as the crop will recover rapidly and in most cases no permanent damage will result, although cases are on record where seasoned adjusters have allowed large claims and later learned to their discomfiture that those particular crops outyielded any in

(CONTINUED ON PAGE 48)

Hail Insurance Leaders

	1926		1925	
	Premiums	Losses	Premiums	Losses
Hartford	\$3,145,964	\$1,678,783	\$3,169,271	\$2,116,321
Home, N. Y.	1,838,727	1,065,425	1,370,081	972,617
St. Paul F. & M.	1,002,105	507,575	856,582	496,280
Springfield F. & M.	598,312	338,779	468,177	357,039
Niagara	584,406	364,337	298,207	157,491
Great American	561,669	250,686	753,415	360,284
North America	522,982	292,739	500,681	367,794
Security, Conn.	484,253	207,760	347,381	262,952
Aetna	480,201	256,944	432,780	360,393
Twin City	471,531	217,605	580,660	421,404

THE final reports of the hail writing companies on the 1926 business show that, despite unfavorable weather throughout the hail states, they enjoyed a satisfactory year, in fact the best since 1919. Premiums were maintained at about the same level as reported in 1925 and losses were held down notably, although there is yet much being done to check losses.

THE premium total last year was \$13,631,825 and losses amounted to \$7,297,191, giving a loss ratio of 53 percent. This loss ratio compared with 63 percent in 1925, 85 percent in 1924, 94 percent in 1923, 75 percent in 1922, 69 percent in 1921 and 58 percent in 1920. In 1919 a loss ratio of 42 percent was reported, the lowest reported in the past decade. This notable improvement in the loss ratio is credited to the work of the advisory adjustment committee of the Hail Association, which worked strenuously last year and is again at work this year holding loss payments to those justified. In the past few years it had become apparent that the loss ratio did not reflect actual hail losses, but rather included a very large percentage of loss payments which were not justified. In one particular community some very large fraudulent claims were discovered and following immediately upon this a very definite campaign for the improvement of the loss situation was

developed, with the gratifying result shown in the statistics for the year. The actual experience from hail last year was not particularly favorable, numerous disastrous storms being reported in many parts of the hail field. All companies did not fare equally, the season being "spotty," both as to territory and as to company.

THE list of premium leaders shows the Hartford again in the lead with a total of \$3,145,964, a very slight decrease from its 1925 total. The Home of New York was second with \$1,838,727, an increase of very nearly \$500,000 over the 1925 total. The St. Paul Fire & Marine was third with \$1,002,105. The Springfield Fire & Marine was fourth with \$598,312, jumping from sixth place in 1925. The other ten leaders and their totals last year were: Niagara, \$584,406; Great American, \$561,669; North America, \$522,982; Security of Hartford, \$484,253; Aetna, \$480,201; Twin City, \$471,531.

In addition to the showing of the stock companies, the totals in the adjoining columns show reinsurance premiums of \$526,169, compared with reinsurance premiums of \$1,012,064 the previous year, mutual premiums of \$1,592,465, compared with \$1,663,462 in the previous year and state fund premiums of \$2,660,485, compared with \$2,341,803 in 1925.

THE ANALYSIS OF THE HAIL INSURANCE POLICY (CONTINUED FROM PAGE 28)

This is a very important clause and is frequently misconstrued by adjusters. For illustration: Should a loss occur during the stage of growth from the time the crop is up to stand and the first 15 days thereafter and it be found that the ultimate production had been reduced 50 percent and the insured was carrying \$30 per acre, it is necessary first to reduce the insurance to \$10 per acre and apply the 50 percent damage thereto and accordingly the insured would be paid a damage of \$5 per acre; but his insurance would be reduced 50 percent, that is, he would only have remaining insurance in the sum of \$15 per acre.

There is nothing wrong with the interpretation of this contract in this manner, for it must be remembered that a crop, when the insurance is placed, is considered a 100 percent crop covered by 100 percent insurance and if the crop production is reduced 50 percent there would be only a residue of 50 percent of the crop on the ground, therefore, only 50 percent of the insurance should remain in effect.

Noon

"7. The word 'noon' herein means noon of standard time at the place where the crops insured hereunder are located."

In several places the policy specifies that liability shall begin and end "at noon" and the above clause is designed and incorporated in the policy to avoid confusion with "sun" time, which is in use in many localities.

Misrepresentation and Fraud

"8. This entire policy shall be void if the insured has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof; or if the interest of the insured in the crops covered hereunder be not truly stated herein; or in case of any fraud or attempted fraud or false swearing by the insured, touching any matter relating to this insurance or the subject thereof, whether before or after a loss."

Is Necessary Safeguard

There are several clauses in the policy which provide that certain acts or failures on the part of the insured, unless allowed by agreement endorsed on the policy, will make the entire policy void, while on the front of the application under the heading, "I, or we, hereby certify and declare as true the following statements:" There are six paragraphs wherein specific information is given pertaining to the crop insured, or ownership of same and there also appears a statement that the crop upon which insurance is applied for has not been damaged by hail prior to the date of the application. These paragraphs and other paragraphs of like nature are considered as warranties on the part of the insured. The insured is required under the policy to furnish the company with a correct statement of the description of the property, either before or after a loss, as well as a true statement of the insurable interest which the applicant possessed in the property, etc. For this reason paragraph 8 is placed in the policy and justly so, for if there has been misrepresentation and fraud on the part of the applicant, the entire policy should be null and void.

In applying paragraph 8, it should be borne in mind, however, that there is a difference between a representation and a warranty.

Representation

A representation is a statement of fact incidental or collateral to a contract, made orally or in writing or by implication, on the faith of which the contract is entered into. Falsity of a representation as to a material fact will avoid the contract. (In insurance law a representation is distinguished from a "warranty" in that it is not a part of the contract, and need only be substantially true.) (Web. New I. Dict.)

From the above it will be noted that misrepresentation does not affect the validity of the contract unless made with knowledge it is false, or recklessly and without belief in its truth, or unless the contract is one requiring the utmost good faith and accuracy of statement, or is between persons in a fiduciary or confidential relation.

A warranty is a statement or engagement expressly or impliedly made in a policy by the party insured, that a certain fact relating to the subject of insurance or the risk, exists or shall exist, or that some act relating thereto has been done or shall be done. It must

be literally true or fulfilled or the policy is void, it operating essentially as a condition precedent to the insurance, and it is distinguished from a "representation," which is an inducement and need be only substantially true or fulfilled. (Web. N. I. Dict.)

It would seem from the above that false swearing on the part of the insured would avoid the policy, however, paragraph 8 pertaining to false swearing or any fraud or attempt at fraud, does not wholly protect the company unless there was an absolutely intent on the part of the insured to defraud the company, as it is well settled by court decisions that mere exaggeration on the part of the insured however gross will not avoid the policy so long as his claims are made in good faith.

Fraud

As stated, fraud does make it possible to avoid the contract, and in some cases absolutely voids the contract. In simple language, fraud consists in any of the following committed by a party or his agent, or with his connivance, with intent to induce other parties to contract, reasonably relied upon by the latter, and a material inducement to him to contract (though not necessarily the sole inducement) and causing damage or injury.

(a) "False representation of a material fact," with knowledge of its falsity, or without knowing whether true or false, in reckless disregard of what may be the truth. If it subsequently becomes untrue, allowing other party to continue to act in reliance on it, it constitutes fraud.

(b) "Active, wilful concealment of a material fact, as by using any artifice to mislead, or prevent discovery of a material fact, or a partial statement of the truth which gives a misleading and false impression.

Usually where fraud is disclosed and a loss occurs companies refuse to pay the loss and in case of suit under the policy the fraud is set up as a defence.

Change of Ownership or Interest

"9. This entire policy shall be void, unless otherwise provided by agreement in writing added hereto, if any change other than by the death of an insured shall take place in the interest, title or possession of the subject of insurance, or if this policy be assigned before a loss."

"10. This entire policy, unless otherwise provided by agreement endorsed hereon or added hereto, shall be void if the interest of the insured in the crop, or percentage of the crop insured hereunder, be other than unconditional and sole ownership."

Robert P. Barbour in "Agent's Key to Fire Insurance," page 100, gives the following as examples of conditions, each of which effects a change in ownership which avoids the policy: (a), sale of the property; (b), an assignment for the benefit of creditors; (c), the appointment of a trustee in bankruptcy, though the appointment of a receiver in bankruptcy is not usually considered a change of

ownership; (d), if a co-partnership takes in a new partner, but not if instead one retires; (e), contract of sale where vendee is given or takes possession.

The "Alienation" Clause

The words, "If any change, other than by the death of an insured, takes place in the interest, title or possessions of the subject of insurance, or if this policy be assigned before a loss," are commonly known as the "alienation clause." This clause is extremely broad and simple and declares that all such changes must be brought to the attention of the company in order to give it the opportunity of cancelling the policy if an undesirable new party is brought into the insurance contract.

It is held, however, that the appointment of a receiver is not considered such a change in the title of possession of the property as to lead to a forfeiture. (136 U. S., 223), since receivers obtain their authority from the court and their appointment is not made with a view to changing the title or right to possession, but to managing the property for the benefit of those ultimately entitled to the same. Nor will this provision be violated by an executory contract of sale, according to which terms the vendor retains possession until the purchaser has made all payments, or by any change whereby the interest of the insured in the property is increased, or by an invalid sale of the property, or by a transfer between the partners or trustee without bringing in any new owner to the property insured.

It will also be observed that the clause is not intended to work a forfeiture in the case of the transfer of the insured's property by the death of the insured, to his heirs or other representatives.

Assignment of Policy

A hail policy is essentially a personal contract and insures the owner of the property rather than the property itself. It is for this reason that the policy provides, as in paragraph 9, that same shall be void unless otherwise provided by an agreement in writing added hereto if this policy be assigned before a loss.

This clause is necessary and reasonable as a precautionary measure against fraud, but it often happens that companies, finding an assignment made contrary to the aforementioned provision, consent to the continued validity of the contract when they are satisfied with the character of the parties concerned.

It is, however, a well established legal principle that the policy, since it is a personal contract, can be assigned before a loss only with the consent of the company. In case of transfer of the insured's property by sale, the company can, of course, refuse its consent to the transfer of the policy and will be relieved of all further liability.

In discussing the legal nature of an assignment, it is essential to distinguish between those cases where there is an actual transfer of the property and those

where there is not. Thus, when a policy is assigned to a mortgagee as his interest may appear, the mortgagee is not absolutely protected, for in law the mortgagor is still regarded as the owner of the property and the insured and it is, therefore, held that his contract will control the validity of the policy. The policy may be valid at the time of assignment to the mortgagee, but unless court or statute prohibits, it may be rendered null and void thereafter by the mortgagor's improper conduct. Or the mortgagor may already have violated the policy so as to make it void at the time of the assignment. This means he cannot convey to the mortgagee more than he, himself, possessed, namely, an invalid policy, and the mortgagee as assignee cannot recover more than the mortgagor was in position to give.

Constitutes New Contract

It must, of course, be understood that where there has been an actual transfer of the title and the policy has been assigned with the company's consent, it is a general rule to view the assignment as constituting a new and independent contract between the assignee and the company and the assignee will thus be protected against the acts of the original policyholder and this is true even though the company lacks knowledge of some act of the assignor violating the policy conditions. With the transfer of the policy by assignment, consented to by the company, the purchaser is considered by the courts to be protected in the same manner as if the company had re-issued to him a new policy similar in all respects to the policy held by the person originally insured. Therefore, the assignment in such case has no other legal effect than to acquire the company as to the party first insured. (Continental Insurance Company vs. Munns, 120 Indiana 30.)

Assignment After Loss

After the occurrence of a loss, the claim of the insured for damages is a "chose in action," which he has a right to assign in spite of the prohibition in the policy against assignment, and the assignee then takes subject to all defenses available to the insurer as against the assignor. If there be any excess of insurance over and above the loss, that belongs to the insured's assignor and he can no more assign the policy as to that without consent than he could do so before the loss. (Professor Heubner, "Property Insurance," page 43.)

Other Insurance

"11. This company shall not be liable for a greater proportion of any loss or damage than the amount hereby insured shall bear to the whole insurance, whether valid or not, covering any crop insured hereunder in whole or in part against loss or damage by hail."

"13. On all crops other than vine, truck, vegetable, tobacco and fruit crops, total insurance for all interests on the crops described herein shall not be permitted to exceed thirty-six (\$36) dollars per acre on irrigated land and twenty-four (\$24) dollars per acre on non-irrigated land, nor to exceed one hundred (\$100) dollars per acre on vine, truck and vegetable crops. In the states of Colorado, New Mexico and Wyoming the total insurance on beans grown for the seed crop shall not exceed twelve dollars (\$12) per acre. However, in the event that the total insurance per acre exceeds this limit or exceeds the value of the crop, this company shall be liable only for its pro rata part of the value of the crop if the value be less than such stated limits, and in no event to exceed its pro rata part of such limit per acre, it being understood and agreed that the liability of this company shall in no event be held to exceed the actual proportionate interest of the insured in the crops described herein. If the total insurance on this crop exceeds the maximum limits permitted hereunder, the company shall refund its proper pro rata share of premium on such excess."

Is "Contribution Clause"

Paragraph 11 is what is commonly known as the "contribution clause" in the standard fire policy. It is broad in scope and is intended to prevent all of a loss falling on one or more companies, or set of policies, when there were in fact other companies, or other policies, covering the property, which due to breach of conditions, insolvency, or other reasons were uncollectible.

It must be remembered that all insurance to contribute must cover the same interest or apply to some portion thereof, for it is entirely possible that there may be two sets of policies covering the same property that would not contribute be-



When this corn belt farmer had seen his crop grow successfully to a height well over his head and practically reach the first of August, he felt a degree of confidence as to the harvesting of his crop. On July 27, however, a disastrous hailstorm swept across his property and leveled part of the corn to the ground, stripping the remainder for a total loss. Even a crop of corn is not safe until harvested and, if this damage can be done by a July or August storm to a corn crop, the damage to which grains and weaker crops are subjected can readily be imagined. (Hartford Fire Photo)

cause they do not cover the same insurable interest; for illustration, one set of policies may cover the owner's interest and other set the mortgagee's interest, and in such case, neither need contribute with the other.

Limits Liability

Paragraph 13 specifically limits the liability of the company to certain amounts on specific crops in certain territory and provides that if the insurance exceeds the limit as provided, the company shall be liable for only its pro rata part of the value of the crop, or its pro rata part of the limit per acre; or the actual proportionate interest of the insured in the crop, and that if the total insurance on the crop exceeds the maximum limits stated, the company shall refund its pro rata share of the premium on such excess. This clause is necessary in order to prevent overinsurance of crops, and enables the company, where it is found that crops have been overinsured, to reduce the insurance accordingly.

Cancellation Clause

"12. This policy may be cancelled by the company at any time by the refund of the entire premium, if paid, or if note given therefor, by the return of the note."

The rate charged for hail insurance is predicated on the relative hazard of particular crops. The insurance covers from its inception until the crop is harvested by detaching from the soil, by cutting, digging, picking, pulling, or otherwise harvesting, unless the crop is damaged by other causes, or is abandoned by the insured. On account of the variation in growing season in the different sections of the country, and particularly as applied to specific crops, it has been found impossible to construct a short rate, or pro rata rate, cancellation table, which can be incorporated in the policy and which would fit all contingencies arising. There are occasions when the policy as a matter of equity to the company or the insured should be cancelled. Before the present cancellation clause was adopted, occasionally companies would refuse to cancel the policy, or insureds would refuse to cancel the policy, on the assumption that no provision was made in the policy for such cancellation. The present clause has been adopted in order to put the company in position to cancel the insurance at any time.

Is Not Abused

Although the clause states that the company may cancel at any time by refund of the entire premium, it is generally conceded that no company would desire to cancel a policy unless there was an equitable reason for doing so, either to protect the interests of the company or the interests of the insured. It is understood, of course, that where the company has had liability and a part of the premium has been earned that the insurance would be cancelled on a pro rata return premium basis, as might be agreed upon between the company and the insured. On the other hand, if it is found necessary to cancel the insurance in its entirety and the insured refuses to do so, the company can cancel the policy by returning the full premium collected, thus placing the insured in his original position by not having charged him for the liability carried. The clause can in no manner be construed as being unfair to the insured, and competent legal talent advises that the clause can be enforced.

It must be understood, of course, that the company cannot cancel a policy where a loss has occurred and thereby escape liability under the policy; however, if the loss is only a partial loss, the company could cancel the remaining insurance.

Damage Not Covered

"14. This company shall not be liable for loss or damage by hail to any crop herein described or any part thereof unless such loss or damage equals five per cent (5%) or more of the particular crop so damaged, at date of loss; nor, except for such portion as is traceable directly to hail, for any loss or damage to any crop herein described, or any part thereof, from any other cause or causes combined with hail nor for any loss or damage by hail to any crop herein described or any part thereof, where such crop has been so injured or damaged from any other cause or causes as to preclude a profit over and above the actual cost of harvesting, storing and marketing said crop; nor for any loss or damage by hail resulting from the neglect or failure of the insured to cut, dig, pick, pull or otherwise harvest matured crops."

Analysing this paragraph, it will be observed that there are five conditions

under which there is no liability on the part of the company.

(a) The company is not liable unless the damage from hail equals or exceeds 5 percent of the particular crop damage.

This condition is necessary in the policy in order to do away with the filing of frivolous claims, where the expense of the adjuster in inspecting the crop would really amount to more than the claim; and where the grower has really suffered no appreciable damage.

(b) The company is liable only for such damage as is directly traceable to hail.

Only Direct Damage

This means that the company is not liable for consequential damage, nor what is commonly termed "invisible" damage. In other words, the company is liable only for direct injury to the physical crop, or what is commonly called "mechanical" injury done to the plants by hail.

(c) The company is not liable for damage from causes other than hail, nor for such causes when combined with hail.

(d) Nor is the company liable when the crop has been so damaged from causes other than hail as to preclude a profit over and above the actual cost of harvesting, storing and marketing of the crop.

(e) The company is not liable for loss or damage by hail resulting from the neglect or failure of the insured to harvest matured crops.

Record of Harvesting

"15. A complete record of the cutting, digging, picking, pulling or otherwise harvesting and marketing of any crop described hereunder shall be furnished this company upon request, and failure to furnish such record upon request shall render this policy null and void, and shall constitute a perpetual bar to any recovery hereunder."

There are several paragraphs in the policy requiring the insured to perform certain acts in order to prove his loss. This paragraph, if the company so requests, requires the insured to furnish a record of the harvesting and marketing of any crop on which he claims a loss and also provides that the failure of the insured to furnish such a record shall void the policy and constitute a perpetual bar to any recovery thereunder.

Replanting or Resetting

"16. The liability of this company for loss or damage by hail to any crop herein described shall not exceed the actual cost of resetting, reseeding, or replanting any crop damaged or destroyed by hail if such crop can be reset, replanted or regrown and matured during the season insured, regardless of whether such crop or crops are reset, replanted and/or regrown."

This paragraph limits the liability of the company to the actual expense or cost of resetting, reseeding, or replanting any crop which may be damaged by hail, providing the crop can be regrown and matured during the season insured.

This, regardless of whether or not the crop is reset, replanted or regrown. The clause applies to all crops except beans, sugar beets and/or cotton. On such crops the liability applies specifically in accordance with paragraph 6 of the stipulations and conditions.

Deficient or Excess Acreage

"17. In case the exact acreage of any crop insured hereunder is less than the total acreage stated in the insured's application, the total amount of insurance applying to such crop shall be reduced in that proportion that the ascertained deficiency in acreage bears to the total acreage stated in said application and the company shall return the premium on such excess."

"18. In case the exact acreage of any crop insured hereunder is greater than the total acreage stated in the insured's application, the amount of insurance per acre shall be determined by dividing the total amount of insurance applying to such crop by the total number of acres comprising said crop."

"19. In case of disagreement as to the correct acreage of any crop covered hereunder the insured shall furnish, without cost to this company, a survey made by a competent surveyor showing the exact acreage of such crop, and failure of the insured to furnish such survey on demand shall render this policy null and void."

The above paragraphs are incorporated in the policy by reason of the fact that occasionally errors are made as to the exact acreage insured and provide for adjustment of the insurance to agree with the actual acreage of the crop.

Where the exact acreage of the crop insured is less than the total acreage stated in the insured's policy, then the company will reduce the insurance in the same proportion and return the premiums on the excess insurance; in case the exact acreage of the crop insured is greater than the total acreage stated in the insured's application, the insurance per acre will be determined by dividing the total amount of insurance applying to such crop by the total number of acres comprising the crop and the insurance adjusted accordingly.

Clause 19 provides that in case of disagreement as to the correct acreage of any crop, the insured shall furnish without cost to the company a survey made

by a competent surveyor showing the exact acreage of such crop and also provides that failure of the insured to furnish such survey on demand shall render the policy null and void.

Reduction of Liability

"20. The liability of this company for loss or damage to any crop herein described or any part thereof, shall be reduced in the same proportion as the proportion in which said crop, or any part thereof, is reduced by cutting, digging, picking, pulling or otherwise harvesting, or by being in any manner, except by hail, damaged or destroyed."

The intent of hail insurance is to cover for damage directly caused by hail

J. G. BAILEY

GENERAL HAIL AGENT

McPherson, Kansas

TWIN CITY FIRE INSURANCE CO.

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and in order to obtain full protection a grower must place insurance in the same amount as the value of the crop or not exceeding the limits of liability allowed under the terms of the policy. It frequently happens that after the insurance is placed a crop may be damaged from causes other than hail, therefore, it is necessary to incorporate the above clause in order that the liability of the company may be reduced in the same proportion in which the crop or any part thereof is harvested, or in any manner, except by hail, damaged or destroyed.

Abandonment of Crop

"21. In case of loss, there shall be no abandonment to this company of any crop insured hereunder."

This clause is self-explanatory and agrees with like clauses as same are incorporated in policies under other forms of insurance and simply means that it is the duty of the insured to salvage any crop that may remain after a loss has occurred, this by reason of the fact that the company has no facility for salvaging or taking care of crops, while the insured has machinery and necessary horses, or farm power, and help for salvage operations.

Adjustment Clause

"22. In the event that any crop herein described is damaged or destroyed by hail, the amount payable hereunder shall in no event exceed the same percentage of the amount of insurance applying to the particular crop so damaged or destroyed at the date of loss, as the ascertained percentage of loss or damage by hail only bears to the whole of the particular crop or crops so damaged or destroyed at the date of the loss; nor in any event exceed the actual loss or damage sustained by hail only, nor exceed the amount of insurance applying to the particular crop so damaged or destroyed."

In "Percentage Form"

The hail policy is frequently called a "percentage form" of policy, by reason of the fact that the above clause provides for the adjustment of losses on a percentage basis, that is, the damage to the crop due to hail is determined and when the percent of damage is agreed upon between the adjuster and the insured, that factor is applied to the amount of insurance applying to the particular crop. For illustration: Suppose A, B, and C each own 100 acres of wheat on May 15 and that the crops are grown on land where the soil conditions and other conditions are about the same, and it is estimated by each of the growers that their crops will make approximately 20 bushels per acre. Assume that A takes \$20 per acre insurance; that B takes \$10 per acre insurance; and C takes \$5 per acre insurance, and that on or about June 1 a hailstorm occurs which destroys 50 percent of the crop. In such case A would be paid 50 percent of his insurance or \$10 per acre, while B would be paid 50 percent of his insurance or \$5 per acre, and C would be paid 50 percent of his insurance or \$2.50 per acre.

Makes Fair Adjustment

This is a most fair adjustment for it will be observed that the company pays for damage in the same proportion that the insureds have paid for protection as to the value of the crop. However, it must be remembered that the clause provides that in no event shall the company be liable for exceeding the actual loss or damage sustained by hail, therefore, if the insurance carried is in excess of the actual value of the crop, the insurance would have to be reduced to the actual value of the crop. The clause also provides that the company shall not be liable for exceeding the amount of insurance applying to the particular crop so damaged or destroyed. The latter verbiage is necessary in order to connect up this clause with other clauses in the policy wherein provision is made for reducing the insurance in case of prior loss or in the same proportion that the crop is damaged from causes other than hail.

Reduction of Insurance

"23. Upon the adjustment of any loss to any crop covered hereunder, the total amount of insurance applying to said crop, or any part thereof, shall be reduced in the amount allowed for each and every loss."

This clause is self-explanatory and means simply that the insurance must be reduced in the amount paid for each and every loss. It must be remembered, however, that this clause will not apply to beans, sugar beets and/or cotton since the reduction of the insurance under clause 6 pertaining to those crops will be in the same percentage as is the

ascertained gross percentage of loss by hail or not in the amount of loss paid.

Forty-eight Hour Loss Notice

"24. Within forty-eight (48) hours after the happening of any loss or damage by hail to any crop herein described, provided such loss or damage equals five percent (5%) or more of the particular crop so damaged, at date of loss, the insured shall send by registered mail to the hail department office of this company at the address given on the policy to which this application is attached, a written notice of loss, signed by the insured, stating the number of this policy, the day and hour of loss, the amount of other insurance against loss or damage by hail, if any, and the probable percentage of damage to any crop described herein; and this company shall not be liable for any loss or damage unless such notice thereof is so furnished to this company within said time, and no other form or service of notice shall be deemed proper notice within the provisions and meaning of this policy."

This provision of the hail policy requiring notice within 48 hours after the loss has occurred and that such notice be signed by the insured in person is not unreasonable and has been held valid by the supreme court in several states, and a failure on the part of the insured to comply therewith avoids liability on the loss. (Mayse vs. Great American, 117 Kans. 662; Burnham vs. Royal, 75 Mo. App. 394; National Paper Box Co. vs. Ins. Co., 170 Mo. App. 361; U. S. F. & G. Co. vs. Carmichael, 195 Mo. App. 93; Graves vs. Ins. Co., 279 Mo., 240; Chandler vs. Ins. Co., 180 Mo. App. 394; State Ins. Co. vs. Lock, 191 Iowa, 1083, 183 N. W. 311.)

Examination of Insured

"25. The insured, as often as may be reasonably required, shall exhibit to any person designated by this company all that remains of any crop on which loss or damage has been claimed, and submit to examination under oath by any person named by this company, and subscribe the same; and as often as may be reasonably required, shall produce for examination a complete record of cutting, digging, picking, pulling, or otherwise harvesting, of any crop herein described at such reasonable time and place as may be designated by this company or its representative, and shall permit extracts and copies thereof to be made. Failure of the insured to comply with the above provisions on demand shall render this policy null and void."

The above paragraph is the standard form used in practically all insurance policies and is only another condition of the policy requiring the insured to prove his loss, by submitting to examination under oath by a representative of the company. Where demand is made of the insured to appear for examination the notice must state the time and place and as nearly as possible the information which will be required. The time for appearance must, of course, be set for reasonable hours during the day time and the place must be as convenient as possible for the insured. If a demand for such examination is made and a reasonable time and place is designated for such examination, the failure of the insured to comply with the provisions of the demand, unless he had a reasonable excuse for such failure, would render the policy null and void.

Minimum Loss Clause

"26. If the actual loss or damage by hail to any crop herein described, is less than five percent (5%) of the particular crop so damaged, then the insured shall pay all the expenses of investigating the said claim."

Clause No. 26 connects up with clause No. 14 which states that the company shall not be liable for loss or damage by hail unless such loss or damage equals 5 percent or more of the particular crop so damaged and carries the further provision that in case the loss is less than 5 percent of the particular crop so damaged then the insured shall pay the expenses of investigating the claim. Its purpose, of course, is to deter insureds from filing claims where there has been no appreciable damage due to hail and where the expense of investigating a claim would really amount to more than the actual loss sustained.

Proof of Loss

"27. Within sixty (60) days after the happening of any loss or damage equaling five percent (5%) or more of the particular crop so damaged, at date of loss, unless such time is extended in writing by this company, the insured shall send to this company by registered mail to the hail department office of this company at the address given on the policy to which this application is attached, a statement in proof

of loss, which statement shall be signed and sworn to, setting forth the number, date and expiration of this policy, the location and description of the crops damaged, the knowledge and belief of the insured as to the time and origin of the loss, the interest of the insured and all others in such crops, all other insurance, whether valid or not, covering said crops against loss or damage by hail, the amount of loss or damage claimed, together with a statement in detail showing how and in what manner the amount claimed was determined and whether crops have suffered previous loss; if so, amount of loss by whom insured. No denial of liability or any other act on the part of this company or on the part of any agent, adjuster or other representative of this company shall waive or dispense with the furnishing of such proof of loss, and this company shall not be liable under this policy for any loss or damage of which the proof herein required is not furnished to this company within the time herein provided."

Gives Check on Policy

Under this clause the filing of a proof of loss by the insured is required, in order that the company may determine the extent of the loss and ascertain whether the insured has complied with the terms of the policy. Analyzing the clause the conditions to be complied with are as follows:

(a) The proof must be filed within 60 days after the occurrence of the loss.

(b) The proof must be transmitted by registered mail.

(c) A statement with the proof of loss must be made giving the following information: (1), Number of the policy; (2), date of policy; (3), expiration of the policy; (4), location and description of the crop; (5), information as to time and origin of the loss; (6), interest of insured and others in the crop; (7), other insurance, whether valid or not; (8), amount of loss or damage claimed; (9), how the amount of damage or loss was determined; (10), whether crops have suffered previous damage from hail, and if so, amount of loss and by whom insured.

(d) Proof must be signed and sworn to by the insured.

(e) The clause also states that no denial of liability or other act on the part of this company or on the part of any agent, adjuster or other representative of the company shall waive or dispense with the furnishing of the proof of loss.

(f) The clause also provides that failure of the insured to furnish the proof as required shall render the company not liable.

This provision of the policy in regard to furnishing of proof of loss has been upheld by courts where the conditions could be easily complied with and a failure to comply therewith avoids liability for the loss. (Burnham vs. Royal, 75 Mo. App. 394; Investment Co. vs. Ins. Co., 62 Mo. App. 315; Burgess vs. Ins. Co., 114 Mo. App. 169; State Ins. Co. vs. Lock, 191 Iowa, 1083, 183 N. W. 311; Bank of South Jacksonville vs. Hartford Fire, 1 Fed. [2nd Series] 43; Scottish Union & National vs. Encampment Smelting Co., 166 Fed. 231; San Francisco Savings Union vs. Western Assurance, 157 Fed. 695.)

Denial of Liability

A general denial of liability under a policy gives the insured immediate right of action at law to recover the amount of loss without compliance with the conditions of the policy as to filing of proofs of loss, etc.

Therefore, representatives of the companies should be very careful in regard to the language or the phraseology used in talking or writing to insureds in regard to hail claims. Such expressions as the following should not be used: "The company denies liability," or "There is no liability on the part of the company on this claim," or "There is less than a 5 percent damage, therefore, the company is not liable."

The use of such language, or like phraseology, constitutes a denial of liability, and waives the condition of the policy requiring the insured to file proof of loss within sixty days after the occurrence of the hailstorm, and permits him to bring suit immediately.

And, too, frequently adjusters, where an insured is making exorbitant demands use language which constitutes a denial of liability, by making such remarks as the following: "Then I deny liability," or "You'll take that or nothing," etc.

Such language, of course, should never be used unless there is an intent on the part of the representative of the company to deny liability. These cases, however, are very rare and the denial of

liability should usually be left to the department head or administrative officer of the company and the adjuster should always leave the claim in such state that the insured is required to file a proof of loss.

That is, the adjuster should argue the case and try to settle on the merits of the loss, falling in this, he should in a courteous manner tell the insured that an award such as he demands will not be made and that he will have to take the amount offered or prove his loss. Then leave the claim in that status and the interests of the company will thus be protected.

Loss Payable Clause

"28. The amount of loss or damage for which this company may be liable shall be payable sixty (60) days after due notice, ascertainment and satisfactory proof of loss have been received by this company in accordance with the terms of this policy."

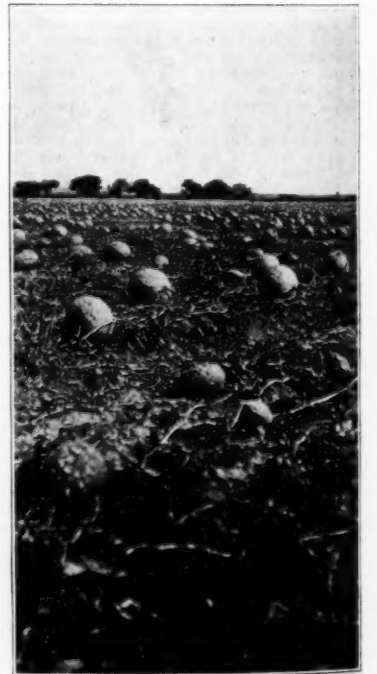
This clause is self-explanatory and is incorporated in the policy in order to give the company sufficient time to investigate the proof of loss and all conditions pertaining to the claim, however, in so far as hail insurance is concerned, companies do not usually take advantage of the clause and most hail claims are paid immediately upon receipt of satisfactory proof of loss.

Bringing Suit

"29. No suit or action on this policy for the recovery of any claim shall be sustainable in any court of law or equity unless all the requirements of this policy shall have been complied with, nor unless commenced within six (6) months after the date of the loss; provided that where such limitation of time is prohibited by law, no suit or action on this policy shall be sustainable unless commenced within the limitation of time permitted by such law."

This clause is merely a mutual agreement that no suit shall be brought under the policy until all of the terms of the policy have been complied with, nor unless the suit is commenced within six months after the date of loss. The clause, as will be observed, provides that the limitation of time shall not apply where same is prohibited by law. In most states the clause has been upheld, however, it must be borne in mind that where suit is brought the insured usually alleges a waiver of other conditions of the policy such as the conditions requiring the filing of proof of loss within sixty days and, therefore, in many cases the courts will not construe the clause strictly and the case will be heard even though action was not commenced within six months after the date of loss.

In so far as same applies to hail insurance and the hail policy, all companies try to enforce the clause, and in case suit is brought after the time limit provided, an objection is raised and usually the court will dismiss the case.



Above is shown a hail swept melon field at Rocky Ford, Colo., a great field of fine melons ready for the market being ruined.

TO RECORDING FIELD MEN

By C. E. PARKS
Superintendent Farm Department, National Fire

Introductory to the conferences, C. E. Parks, manager of the western farm department of the National of Hartford and a member of the advisory committee of the Hail Association, presented this appeal to the recording field men at the regional meetings. These remarks are the substance of Mr. Parks' address to the field men, as given at the regional meetings, and are directed in the second person to the field men.

THE question has often been asked as to what recording special agents and representatives of departments of companies other than hail can render so a clear understanding can be had as to this particular class of business. In the past the recording or other special agents have kept aloof from the hail business and not only shown no interest or understanding, but have even handicapped its operations, due to this "isolation policy." There is a great need for cooperation on the part of the regular field men as well as the hail insurance specialists. Hail insurance is readjusting itself and to firmly establish itself on its new foundation calls for the complete cooperation of all in the field. It is hoped that the following remarks will arrest the attention of the recording or other special fire department representatives and result in a continued interest and ardent support in a branch of our chosen profession which has in the past been somewhat neglected by other than those directly engaged in handling hail business.

Is Natural Consequence of Former Program

We must admit there were good and sufficient reasons for this lack of interest above referred to. In the first place, the cooperation of state and special agents was not actively solicited by either those in charge of hail departments or by managements in general; in fact, they were expected to maintain what might be called a "hands off" policy. Then, too, the hail game, as conducted several years ago, did not merit the measure of respect from field men of the higher type that it is now entitled to. The wild scramble for premiums, likewise the frequent use of high pressure and admittedly sharp practice adjustment methods helped to bring this branch of our business into disrepute.

Times have changed; the hail business has been thoroughly renovated and to the principles laid down by, and to the efficient management of the Western Hail & Adjustment Association, more than any other agency, the major credit is due. Through its auspices this branch has been placed on an honorable and business-like basis. Due to the results of its statistical system, which includes the experience of member companies over a term of years, not only for states and counties, but even down to individual townships, it has been possible to equitably rate each territory; likewise to establish a scale of agency commissions fair to company and to the producing agent alike. Of even greater importance is the data compiled which reveals information as to the chronic premium retriever or seasonal loss reporter. This information is at times of startling nature and due to the unselfish spirit of cooperation now prevailing the old time loss reporter will soon be a memory and not a reality.

Loss Adjustments Now Most Important Phase

Permit me to now direct your attention and I hope your sympathy to what is probably the most important phase of the business today: The adjustment of hail losses. Several years ago, companies realized that hail business could never be written at a profit unless they staged a "right about face" with respect to loss adjustments. Walter D. Williams, for three years president of the Western Hail & Adjustment Association, and a man whose statements always command the respect of western executives, handled this subject in a masterly fashion in his 1925 annual address to hail association members. His remarks read in part as follows:

"It has been amply demonstrated in all branches of insurance that the ad-

justment of losses should be entirely divorced from the production part of the business; and where that is not done, abuse creeps in; waste follows, until the difference between proper and improper adjustments represents the difference between profit and loss. Surely we can find legitimate things about which we can compete without getting into a contest as to whom can pay out the most money and do it the fastest and soonest. Unfortunately, that is the situation into which the adjustment of hail losses has deteriorated until the practices prevailing are a serious reflection on the business and those engaged in it."

Even prior to the above utterance by Mr. Williams, the hail house cleaning had started and from season to season it has been a march of progress. The unscrupulous, corner-cutting, hard-boiled hail claim settler, who left a path it was often hard for a respectable field man to follow and almost impossible to cover up, has been practically eliminated and today at least 95 percent of the adjusters used by leading hail companies are men entitled to the confidence and respect of fire field representatives.

You recording men must realize, I am sure, that hail business is a specialty and as such it must receive special treatment. You will admit that a

successful hail adjuster must have years of training to fit him for his duties. Look around you today and you will find men present who have spent many years on the farm or have been associated most of their lives with farmers, their crop troubles, etc. Many of them are graduates of leading agricultural colleges and all of them are students of the agricultural game. These men must know a real hail loss when they see one, they must ever be on guard for losses caused by drought, rust, all the old-time crop diseases and now they confront the problem occasioned by the European corn borer, which experts claim will be in our midst this season. Yes, my friends, these men must be specialists and as such they are entitled to your sympathetic cooperation.

In conclusion, do not permit your local agents to stampede you into making complaints to your management concerning apparent lack of efficiency in adjusting your company's hail losses. Remember! Your hail adjusters have their troubles to overcome, many unscrupulous clients to deal with, and unfortunately, the animosity of some local agents to combat. Investigate before you protest, give the adjuster an opportunity to explain before you condemn. Rarely indeed will you find him unable to prove his case.

Hail General Agents

AT the time of writing there are 34 hail general agencies listed to take the field for the 1927 season. All of the appointments have not been made as yet and some additions may be announced before the season is under way. This showing is just one smaller than last year's, a number of the general agencies or their companies having retired from hail writing since last year. Last year there were 35 general agencies listed at the opening of the season. The list for this year shows five new general agencies, so that six of those shown on last year's list have retired from hail business, either voluntary or because their hail writing companies have withdrawn from their particular field. Through restrictions of underwriting in certain territories some of these agency appointments have been discontinued. The new general agents shown in the attached list are: J. G. Bailey of McPherson, Kan., Braerton-Forsyth Company of Denver, Colo., Bratt, Goodman & Buckley of North Platte, Neb., The Hartford General Agency Company of Hartford, Conn., and Reinhardt, West & Co. of Dallas, Tex.

The list of hail general agents and managers, complete to April 1 for this year, is as follows:

J. G. BAILEY,
McPherson, Kans.

General Agent, Middlewest Fire Underwriters (Kans. and Okla.); General Agent, Twin City (Kans., Okla. and Tex.).

BAKER INSURANCE AGENCY,
 Fargo, N. D.

General Agent, Middlewest Fire Underwriters (N. Dak.); General Agent, St. Paul F. & M. (Southern N. Dak.); Gen-

eral Agent, United American Underwriters (N. Dak.).

BRAERTON-FORSYTH COMPANY,
Denver, Colo.

General Agent, Mercantile (Colo., N. Mex. and Wyo.).

BRATT, GOODMAN & BUCKLEY,
North Platte, Neb.

General Agent, Middlewest Fire Underwriters (Neb.).

EDWARD BROWN & SONS,
San Francisco, Cal.

General Agent, Globe & Rutgers. General Agent, Globe Underwriters.

H. G. CARPENTER & CO.,
 Fargo, N. D.

General Agent, Niagara (N. D., eastern Montana and northwestern Minn.).

COBB, MILLER & STEBBINS,
Denver, Colo.

General Agent, Commonwealth (Colo.).

PAUL COLSON INSURANCE AGENCY,
Fremont, Neb.

General Agent, Federal Union (Neb.).

COSGRIFF & VON SIEN, INC.,
 Fargo, N. D.

General Agent, Twin City (N. D.).

CHAVENS, DARGAN & CO.,
Houston, Tex.

General Agent, St. Paul F. & M. (Tex.); General Agent, Camden (Tex.).

JOHN E. DAWSON,
Great Falls, Mont.

General Agent, Northwestern F. & M. (Mont.); General Agent, Federal (Mont.).

ELLIS & HOLLAND,
Des Moines, Ia.

General Agent, Northwestern F. & M. (Ia.); General Agent, Federal (Ia.).

HARTFORD GENERAL AGENCY CO.,
Hartford, Conn.

General Agent, Federal (Conn.).

Z. A. HAZARD,
Sioux Falls, S. D.

Manager, National Union (S. D. and Minn.).

THE HEDWALL-SUNDBERG COMPANY,
Minneapolis, Minn.

Managers, Westchester, Providence-Washington, Hudson and Hudson Underwriters.

W. C. LYBE
Omaha, Neb.

General Agent, St. Paul F. & M. (Neb.).

K. T. MARTIN
Ft. Worth, Tex.

General Agent, Northwestern F. & M. (Tex.); General Agent, Middlewest Fire Underwriters (Tex.); General Agent, Citizens (Tex.); General Agent, Federal (Tex.).

C. C. McKNIGHT,
Enid, Okla.

General Agent, Quaker City (Okla.).

MICHAELSON & HUGHES CO.,
Ladysmith, Wis.

General Agents Twin City (Wis.).

MILLER-STUDEBAKER AGENCY,
Topeka, Kans.

General Agent, City of New York (Kans.); General Agent, Interstate Fire (Kans.).

MILLIGAN BROTHERS,
Aberdeen, S. D.

General Agent, St. Paul F. & M. (S. D.).

MORRISON & CO.,
Omaha, Neb.

General Agent, Globe & Rutgers and Globe Underwriters (Kans., Neb., Colo., S. D., Ia., Wyo.); General Agent, Camden and Eastern Underwriters (Kans., Neb., Colo.).

NELSON-COOPER,
Grand Forks, N. Dak.

General Agent, Mass. F. & M. (N. D.).

E. E. OLINGER & CO.,
Oklahoma City, Okla.

General Agent, National Security (Okla.).

W. J. OTGEN,
Enid, Okla.

General Agent, Niagara (Kans., Okla., Tex., Mo., N. Mex.); General Agent, Security (Tex.).

REINHARDT, WEST & CO.,
Dallas, Tex.

General Agent, Providence-Washington (Tex.).

REYNOLDS BROS.,
Fremont, Neb.

General Agent, Niagara (Neb.); General Agent, Twin City (Neb.).

A. J. SHAW INVESTMENT COMPANY,
McPherson, Kans.

General Agent, Security (Kans.); General Agent, New Haven Underwriters (Kans. and Okla.); General Agent, Rockford Underwriter (Kans. and Okla.).

VAN ARSDALE & OSBORNE,
Wichita, Kans.

General Agent, St. Paul F. & M. (Kans. and Okla.).

H. A. WELD COMPANY,
Billings, Mont.

General Agent, Twin City (Mont.); General Agent, Middlewest Fire Underwriters (Mont.).

W. L. WILDER GENERAL AGENCY,
Grand Forks, N. D.

General Agent, St. Paul F. & M. (Northern N. D.).

J. PIERCE WOLFE,
Moorehead, Minn.

General Agent, Security (Minn., N. D., S. D.); General Agent, New Haven Underwriters (Minn., N. D., S. D.); General Agent, Rockford Underwriters (Minn., N. D., S. D.).

ZIMMER & SMITH,
Lincoln, Neb.

General Agent, Security (Neb.); General Agent, Rockford Underwriters (Neb.).

E. M. ZUELL & CO.,
Mankato, Minn.

General Agent, United American Underwriters (Minn.).

The Adjuster in the Field

(CONTINUED FROM PAGE 5)

for payment, that the loss has been properly adjusted and has received the necessary care and attention on the part of the adjuster. In every case where it is practical and possible, they want to know definitely that the adjuster arrived at the amount of loss by actual count and not by a mere estimate which may or may not be correct. They want to know the adjuster has spent enough time on the particular loss so he has seen every part of the field that he was adjusting.

The company wants to know the general conditions of the field, where the adjuster made his tests and what the result was in each case; what disease, insect, rodent or other damage was present in the field and the amount of such other damage. They do not expect an adjuster to go out and adjust 15 or 20 losses in a day. Unless the losses are absolutely and hopelessly total or else all less than 5 percent, it is physically impossible for an adjuster to adjust any such number of losses in one day's work.

Speed Is Not the First Essential

The painstaking, careful adjuster may only finish two or three losses in a day's time, but he will generally leave a finished job and honest insureds will be satisfied in their own minds that he has conscientiously and honestly done everything possible to arrive at the amount of loss. There will be far fewer complaints from insureds and agents, far fewer requests for reinspections and the reopening of adjusted losses when the work is carefully done than where an adjuster hurriedly skips over a large number of losses in too short a time.

Several Important Factors to Watch

When going on a loss the adjuster must always bear in mind and establish beyond doubt:

1. That the insurance was in effect at the time loss occurred; that the storm or loss actually occurred on the date given in the insured's notice of loss and that no loss had been sustained to the crop insured before the insurance went into effect.

2. That the location and description of the damaged crop corresponds to the crop description given in the policy. In order to properly locate the crops described in the policy, the adjuster should always, by means of the township plats which are furnished with his supplies, plat the losses according to the description given in the policy, and also show on such plats the location of the town out of which he is going to work. Having so laid out his work it is relatively easy for him to ascertain the exact distance and direction he will have to travel in order to arrive at the field on which loss is claimed. Many adjusters make the mistake of not carefully checking locations and depending entirely upon direction given them by livery men, or others, as to a man's place of residence. The adjuster is interested primarily in the location of the crops described in the policy rather than location of the insured's residence, and should always locate crops by legal description.

Information Given Should Be Checked

3. That the crops are correctly described in the policy. It sometimes develops that wrong descriptions are given in the policy. When such cases arise, the adjuster should proceed with extreme caution and before he makes any effort to adjust the loss or arrive at the amount of loss, he should establish to his own complete satisfaction that such wrong description is entirely the result of error. This he can usually establish by careful investigation as to what other crops, if any, the insured is interested in, and whether or not the insured actually does own in the location on which he intended to place insurance the number of acres of the kind of crop described in the policy. However, in all such cases, an adjuster should proceed only under a non-waiver loss agreement; and should not execute proof of loss unless he has definite prior instructions from his company to do so.

4. That the date and hour of the loss was as given in the notice of loss and the loss has actually been reported by the insured or insured's agent. Where adjusters find losses reported by agents or others without due authority from the

insured, they should not, in any but the most unusual cases, proceed with the adjustment, except under definite instructions from their company. Unfortunately, there have been several instances in past years of agents who would report losses without any authority from the insured. Such practices cannot be tolerated and when discovered by adjusters should immediately be called to the attention of the company.

Insured's Interest in Crop Is Important

5. That the insured's interest and ownership of the crop is as stated in the policy. Usually an adjuster can tell by observation and careful questioning whether or not there is any reason for doubting the insured's interest and ownership. When the insured is found living on the farm where the crops are located and has evidently been a resident of the community and on the particular farm especially for a considerable time and claims full ownership, or a tenant under the same conditions claims a partial interest ownership, the adjuster, unless some act or incident has aroused his suspicion, would in most cases be warranted in accepting the insured's statement as to actual ownership of the interest insured. However, where the adjuster has for any reason suspicion as to the insured's interest in the property described, it is well to have the proof of loss acknowledged by the insured before a notary public and for the adjuster to make such other investigation as he deems necessary in order to satisfy himself beyond doubt that insured's interest is as stated:

All Items Must Be Checked for Accuracy

6. That the number of acres insured is correctly stated in the policy. There are 43,560 square feet in an acre, or 160 square rods. Each side of an acre, assuming the acre to be a square plot of ground, would measure 218.7 feet. Adjusters should know their length of pace well enough so as to be able to step off and verify by test the approximate number of acres contained in any parcel of land.

7. That the total insurance does not exceed permissible limits as stated in the policy.

8. That the crops are not overinsured as to value. Prior to the time of harvest it is difficult for anyone to estimate exactly the value or the probable yield of any grain or forage crop. The non-value clause of the hail policy is not intended to work a hardship on any honest insured who has placed upon his crop a fair estimate of value in good faith. Usually the question of overinsurance is

not a serious factor unless the condition of the crop indicates the insured has deliberately and grossly overvalued his crop for the purpose of obtaining a larger amount of hail insurance than his crop prospects would warrant.

9. That the adjuster is dealing with the insured or his legally appointed agent or attorney.

Hail Policy Is a Percentage Contract

The hail insurance policy is often referred to as a "percentage" policy, because it provides that loss payable thereunder shall be the same percent of the insurance applying to the crop damaged, as is the percent of loss by hail only, to such crop, but in no event more than the actual loss sustained. An adjuster must determine whether the crop is overinsured as to value, and when this has been determined proceed on a percentage basis and usually avoid any reference to values expressed in dollars and cents.

Should Explain Every Step to Claimant

While arriving at the percentage of loss the adjuster should explain every step to the claimant. The procedure of adjustment as applied to grain crops is quite simple. It consists of counting out a certain number of individuals (in the case of grain crops these individuals would be the straws or heads of grain). This number usually, for the sake of convenience, is taken at an even 100 or multiples thereof. All straws, whether diseased, broken, haled, stunted, or in any way damaged or deformed, must be included in counting out the 100 straws which are the basis for the test.

After the one hundred have been counted out, the next step is to go through the original number and count out the sound straws that have been damaged by hail only. Then by dividing the number of hail damaged sound straws by the total number of straws included in the test, the percentage of loss by hail is arrived at, which percentage of loss is multiplied by the insurance applying, or vice versa, in order to determine the amount payable under the policy.

The number of tests to be taken will depend upon the size and shape of the field and condition of the crop. Usually at least four or five tests should be taken in every field and if the field is one of several hundred acres, probably 15 or 20 tests should be used. The adjuster must show on the adjustment report as nearly as possible the actual spots where the tests were taken. This is very important because in case of a second loss it enables the second adjuster to make his test in practically the same locations as the tests were made by the adjuster who handled the first loss.

There will, of course, be times when it is not possible or practical for an adjuster to count a loss accurately, and even times when a count cannot be made

at all owing to unusual conditions. In such cases the adjuster will have to use his best judgment and devise whatever method he can which may best fit the individual case, but when such instances do arise the adjuster must furnish a report stating briefly the reasons why it was not practical to count the loss. However, in so far as grain crops and corn crops are concerned, such cases will be relatively few, as no liability attaches under the policy on grain crops until 75 percent of the plants have jointed and attained a height of at least ten inches measured from the ground to the tip of the longest leaf and no liability attaches on corn until 75 percent of the plants have formed the second joint above the ground.

Adjuster Should Never Deny Liability

When an adjuster has exhausted every possible means at his command and the insured still refuses to accept a fair and equitable adjustment, the adjuster's next step is to prepare a full report on the claim, giving as minutely as possible every circumstance pertaining to the particular claim, even to the point of gathering certified specimens of the crop, having certified photographs made and securing competent witnesses to go fully and in detail into the conditions of the crop. The statement of such witnesses should always be reduced to writing, signed in the presence of two witnesses, or else certified before a notary public.

An adjuster should never deny liability when he has admitted a loss, but has failed to arrive at an agreement with the insured as to the amount of such loss, nor should he where loss is found to be less than 5 percent ever employ any phraseology which might be construed as a denial of liability. In such cases the adjuster should simply state, "you have no loss." "You will have to prove your loss," or words to that effect. In some states it has been held by the courts that a denial of liability on the part of an adjuster or other agent of the company waives that provision of the policy which requires the insured to furnish a proof of loss within 60 days after the date of loss.

Every Job Should Be Completed

Adjusters should always fill out the proof of loss or release of claim and offer it to the claimant for signature. In cases where the loss is found to be less than 5 percent, and the insured will not sign a release, his attention should be directed to the paragraph in the policy which provides the insured shall be liable for all expenses of investigation after he has called for an adjuster, if the loss does not equal or exceed 5 percent of the crop damaged.

Complete every job. Merely because an insured does not agree and refuses to sign the proof when it is first offered to him for signature is not any reason for giving up and leaving an unsettled claim. Invariably, and particularly where the loss is found to equal or exceed 5 percent, it is necessary to send another adjuster on such claim. The second adjuster is never in as favorable a position to close the loss as is the first adjuster on the ground. Even though it may take an extra day, it is far better and cheaper for the first adjuster to put in the necessary time and close the loss, rather than to send another man back to take up his work where he left off. In all possible cases, signed releases should be secured when the claim does not equal 5 percent.

The inspection of crops on which no loss had been reported simply because the agent or some neighbor thinks "it may have hailed" on such crop, is a dangerous practice and should never be indulged in by adjusters.

Adjusters must remember that local agents have a very definite interest in hail loss adjustments, and must always bear in mind the importance of letting the local agent know everything that is going on and, if possible, how the losses are being adjusted. If the adjuster satisfies the local agent that he is doing his work well, and particularly if the local agent has an opportunity to observe how the adjuster did his work and is satisfied that he was trying to deal honestly and fairly with every insured, there will be far fewer complaints from local agents. If, on the other hand, there will be cases where local agents are found to be unsympathetic in their attitude even after the adjusters have done everything they can in order to effect a satisfactory and fair adjustment, the company will then have an opportunity to improve or terminate a condition which may prove to be both embarrassing and expensive.



This local agent of Webb City, Mo. is illustrating the way to bring in hail insurance premiums. He has found that the best way to put the business on the books is to go out into the field and solicit it at the time when the farmer or orchard grower is best in a position to see the potentialities of his property. He is shown here inspecting an orchard in full bloom, preparatory to insuring it. It can also be seen that Mr. Hulett is a hearty believer in advertising hail insurance. (Hartford Fire Photo)

the new viewpoint of the bankers, for they are now desirous of having ample tornado protection available and with their cooperation, the companies will have a stronger case in asking for the adequate rates.

DURING the past year there was also an increased recognition of the hail hazard as a concurrent menace. Tornadoes are in most cases accompanied by some hail and in some cases this hail becomes even more damaging than the force of the wind itself. Not infrequently the losses are confused and the dividing line between hail and tornado damage is difficult to find. In all cases, the tornado policyholder who comes through a windstorm and finds hail damage incurred on his property feels that his tornado policy should cover this, though his contract exempts such loss. The only safeguard is the writing of the hail rider on every tornado policy, which can be done at a negligible cost, and this is being done more and more by agents. It is a service to the policyholder which every agent should render and, though each policy is negligible, the aggregate of writing



When the disastrous hurricane of last September swept across Miami, one of the most unusual windstorm losses in the history of the business was incurred. A huge skyscraper was damaged to the extent of nearly a million dollars, as may be seen from this illustration. The 140-mile-an-hour gale was sufficient to break away the front of this supposedly impregnable structure.

hail riders on all tornado policies would mean a small increase in commissions worthy of consideration.

THE tornado season is now open. In fact, it has already made an auspicious start, for on March 18 of this year a disastrous tornado, or series of tornadoes, swept across Arkansas, Missouri, Oklahoma and Tennessee, resulting in property damage of some half million. The season is fully opened, however, and any section of the north or south may be struck at any time, so that the agent's moment, that well-known "psychological moment," has now arrived. And it should be a record-breaking year—not, it is earnestly hoped from a loss standpoint, but from a premium standpoint. The "commodity" is now known throughout the nation and the agent no longer needs to waste valuable time in describing it—he only need spend a few moments of his budgeted time and reap the harvest of premiums—and commissions.

One Little "Blow"

A STRIKING picture of tornado damage is given in a brief report issued by the United States Weather

Bureau on a small, local tornado which struck a section of southern Maryland last November. This tornado swept a path only 500 feet wide and 19 miles long, but the damage in the few min-

utes of its travel was notable. After describing the path and time of the storm, the Weather Bureau continues as follows:

"At LaPlata farm dwellings and a

Seventy-Five Years of Tornado Losses

THE subjoined data gives the record of the past 75 years on the outstanding tornado and windstorm losses in the United States. It shows vividly the havoc that this hazard can create from coast to coast and from new year to the year end. While the information and the figures are very incomplete, they can be used with an understanding of this and thus demonstrate even more clearly the devastation of the storm in this country. The property loss from the windstorm is seen to mount to an unbelievable figure. These represent the outstanding storms and thus only a small proportion of the actual losses. The figures for the older years have great significance, when it is recalled that present day values would change the old reports of \$100,000 loss to \$1,000,000 loss.

Location—	Date	Killed	In- jured	Bldgs. Dest.	Property Loss
Georgia, Ind., Apr. 5, 1804	Apr. 5, 1804	...	...	...	Very destructive
Mo., Ill., Ind., June 5, 1805	June 5, 1805	...	...	...	Unusually long
Ill., Ind., Ky., Apr. 13, 1852	Apr. 13, 1852	...	...	...	The "Great Tornado"
Louisville, Ky., Aug. 27, 1854	Aug. 27, 1854	25	67	...	Very destructive
Cook Co., Ill., May 22, 1855	May 22, 1855	4	...	...	Very destructive
Montevallo, Ala., Nov. 22, 1874	Nov. 22, 1874	10	30	100	Town destroyed
Erie, Pa., July 26, 1875	July 26, 1875	134	...	...	\$ 500,000
Salline Co., Kans., June 6, 1876	June 6, 1876	11	...	...	Very severe
Pensaukee, Wis., July 7, 1877	July 7, 1877	8	...	...	\$ 300,000
New Haven, Conn., Aug. 9, 1878	Aug. 9, 1878	34	28	160	2,000,000
Goodhue Co., Minn., July 3, 1879	July 3, 1879	9	30	...	Severe
Barry Co., Mo., Apr. 18, 1880	Apr. 18, 1880	100	600	200	\$1,000,000
Fannin Co., Tex., May 28, 1880	May 28, 1880	40	83	49	Severe
De Soto Co., Miss., Apr. 12, 1881	Apr. 12, 1881	10	...	27	...
Grinnell, Ia., June 17, 1882	June 17, 1882	100	300	260	Many millions
Dodge Co., Minn., Aug. 21, 1883	Aug. 21, 1883	26	80	400	\$1,000,000
Clay Co., Ark., Nov. 21, 1883	Nov. 21, 1883	5	162	60	700,000
Ill., Ky., Miss., Ga., Tenn., Va., N. Car. and S. Car., Feb. 9, 1884	Feb. 9, 1884	800	2,500	10,000	300,000
Richmond Co., N. Car., Feb. 19, 1884	Feb. 19, 1884	18	125	55	Heavy damage
Minn. and Wis., Sept. 9, 1884	Sept. 9, 1884	6	75	305	\$4,000,000
Camden Co., N. J., Aug. 3, 1885	Aug. 3, 1885	6	100	500	500,000
Fayette Co., O., Sept. 8, 1885	Sept. 8, 1885	6	100	300	500,000
Alabama, Nov. 6, 1885	Nov. 6, 1885	13	50	...	Heavy loss
Benton Co., Minn., Apr. 14, 1886	Apr. 14, 1886	74	136	...	\$ 400,000
Xenia, O., May 12, 1886	May 12, 1886	57	...	185	\$ 1,300,000
Prescott Co., Kans., Apr. 21, 1887	Apr. 21, 1887	20	237	330	1,000,000
Mt. Vernon, Ill., Feb. 15, 1888	Feb. 15, 1888	39	125	...	Nearly destroyed
Maryland and Delaware, Aug. 22, 1888	Aug. 22, 1888	11	...	...	Severe
Reading, Pittsburgh, Pa., Jan. 9, 1889	Jan. 9, 1889	33	...	...	Heavy loss
Mo., Ohio and Ky., Jan. 10, 1890	Jan. 10, 1890	18	...	...	Severe
Louisville, Ky., Mar. 27, 1890	Mar. 27, 1890	113	200	900	\$2,500,000
So. Lawrence, Mass., July 26, 1890	July 26, 1890	9	40	...	Great loss
Mt. Carmel, Pa., June 26, 1891	June 26, 1891	7	...	...	Much damage
Minnesota, June 16, 1892	June 16, 1892	50	...	...	Great loss
Georgia, So. Car., Coast., Aug. 28, 1893	Aug. 28, 1893	1,000	...	...	Sweeping devast.
Gulf Coast, La., Oct. 2, 1893	Oct. 2, 1893	2,000	...	...	Sweeping devast.
Williams Co., O., May 17, 1894	May 17, 1894	7	30	50	One village dest.
Minn. and Iowa, Sept. 22, 1894	Sept. 22, 1894	75	...	...	Great destruction
Iowa, Ill., Mich., Mo., Tex., May 15-27, 1896	May 15-27, 1896	500	...	...	\$20,000,000
Kirkville, Mo., Apr. 27, 1899	Apr. 27, 1899	50	...	...	Great loss
New Richmond, Wis., June 12, 1899	June 12, 1899	116	...	...	Great loss
Galveston, Tex., Sept. 6, 1900	Sept. 6, 1900	6,000	...	...	\$30,000,000
Georgia, June 1, 1903	June 1, 1903	78	...	...	...
Moundville, Ala., Jan. 22, 1904	Jan. 22, 1904	36	80	75	100,000
Snyder, Okla., May 10, 1905	May 10, 1905	87	49	...	Severe damage
Meridian, Miss., Mar. 2, 1906	Mar. 2, 1906	23	...	...	\$ 400,000
Tennessee, Apr. 29, 1909	Apr. 29, 1909	60	100	...	800,000
Omaha, Neb., Mar. 23, 1913	Mar. 23, 1913	94	300	600	3,500,000
Texas, Aug. 18, 1916	Aug. 18, 1916	13	...	...	2,000,000
Peoria, Ill., July 31, 1916	July 31, 1916	...	...	...	500,000
Ala., Ga. and Miss., Feb. 28, 1917	Feb. 28, 1917	13	...	...	Severe loss
New Albany, Ind., Mar. 23, 1917	Mar. 23, 1917	43	100	...	\$1,133,000
Coles Co., Ill., May 26, 1917	May 26, 1917	133	750	...	3,600,000
Coleville, Kans., June 1, 1917	June 1, 1917	30	...	...	500,000
Chicago, Ill., Jan. 6, 1918	Jan. 6, 1918	...	...	...	Heavy wind dam.
Cowarts, Ala., Jan. 11, 1918	Jan. 11, 1918	7	...	...	Severe loss
Illinois and Iowa, May 9, 1918	May 9, 1918	...	...	...	Severe tornadoes
Boone, Ia., May 21, 1918	May 21, 1918	...	...	...	\$1,000,000
Eufala, Ala., Mar. 4, 1919	Mar. 4, 1919	4	...	...	1,000,000
Fergus Falls, Minn., June 22, 1919	June 22, 1919	60	150	250	4,500,000
Northern Ohio, Aug. 5, 1919	Aug. 5, 1919	...	...	...	2,000,000
Florida Coast, Sept. 10, 1919	Sept. 10, 1919	...	...	...	Sweeping hurrie.
Corpus Christi, Tex., Sept. 14, 1919	Sept. 14, 1919	500	...	...	\$25,000,000
Atlantic Coast, Feb. 4-6, 1920	Feb. 4-6, 1920	...	...	...	Many mil. loss
Ala., Ga., Ill., Ind., Mich., Mo., O., Wis., Mar. 28, 1920	Mar. 28, 1920	161	...	...	\$15,000,000
Miss., Ala., Tenn., Apr. 20, 1920	Apr. 20, 1920	232	...	200	2,000,000
Connecticut, Aug. 31, 1920	Aug. 31, 1920	2	100	...	2,000,000
Gardner, Ga., Feb. 10, 1921	Feb. 10, 1921	30	...	...	Severe
Tampa, Fla., Oct. 25, 1921	Oct. 25, 1921	...	...	...	Much damage
Hedrick, Ind., Apr. 17, 1922	Apr. 17, 1922	9	100	...	\$ 650,000
Prairie Farm, Wis., June 15, 1922	June 15, 1922	4	12	...	\$2,000,000
New York City, June 11, 1922	June 11, 1922	60	...	...	Many mil. loss
Hot Springs, S. D., Aug. 3, 1922	Aug. 3, 1922	...	...	...	\$1,000,000
Mississippi, Mar. 15, 1923	Mar. 15, 1923	18	100	...	Heavy damage
Pineville, La., Apr. 4, 1923	Apr. 4, 1923	20	...	...	Heavy damage
Iowa and Nebraska, Sept. 28, 1923	Sept. 28, 1923	14	...	...	Big loss
Shawnee, Okla. (Kans., Mo., Ill.), Mar. 28-30, 1924	Mar. 28-30, 1924	20	141	...	\$ 3,000,000
So. Car., N. Car., Va., Ga., Apr. 30, 1924	Apr. 30, 1924	125	700	...	10,000,000
Mississippi and South, May 26-28, 1924	May 26-28, 1924	2	100	...	1,500,000
Ill., Kans., and S. D., June 12-14, 1924	June 12-14, 1924	15	...	...	\$ 2,000,000
Lorain, O. (Ia., Ill., Ind.), June 28, 1924	June 28, 1924	83	500	...	\$13,000,000
Missouri Valley and Mass., July 13-17, 1924	July 13-17, 1924	8	65	...	4,000,000
Kans., Mo., Wis., Ga., Sept. 10, 19-21, 1924	Sept. 10, 19-21, 1924	40	30	...	2,000,000
Ind., Ill., Mo. and Ky., Mar. 21, 1925	Mar. 21, 1925	815	2,939	...	\$15,000,000
Miami, Fla., Apr. 5, 1925	Apr. 5, 1925	3	23	...	300,000
N. D. and Minn., May 22, 1925	May 22, 1925	...	...	...	\$500,000
Iowa, June 15, 1925	June 15, 1925	...	...	...	900,000
Ark. and Miss., Feb. 24, 1926	Feb. 24, 1926	7	27	...	\$ 70,000
Texas, Mar. 30, 1926	Mar. 30, 1926	1	...	...	1,770,000
Oklahoma, Apr. 23, 1926	Apr. 23, 1926	4	9	...	110,000
Ia., Mo., Kans., June 16, 1926	June 16, 1926	2	29	...	600,000
Florida East Coast, July 28, 1926	July 28, 1926	1	...	...	3,050,000
New York, Aug. 15, 1926	Aug. 15, 1926	...	...	...	1,000,000
La. and Miss., Aug. 25, 1926	Aug. 25, 1926	25	200	...	6,000,000
Miami, Fla., Sept. 18, 1926	Sept. 18, 1926	243	300	...	100,000,000
Mo., La., Miss., etc., Nov. 25, 1926	Nov. 25, 1926	91	300	...	2,000,000
La Plata, Md., Nov. 9, 1926	Nov. 9, 1926	14	...	...	100,000

schoolhouse were wrecked, four other dwellings were badly damaged and 14 tobacco barns and their contents were a total loss. The minimum estimate of damage is \$70,000. The schoolhouse with its 60 children and two teachers was lifted from its foundation and dashed against a grove of trees 50 feet away. Debris from the schoolhouse, the children's belongings and school-room furnishings were scattered in all directions. Some of the children were carried 500 feet and one was found in the top branches of a tree 300 feet away. Some of the wreckage of the schoolhouse was found in a field one mile north of Upper Marlboro, 25 miles away, and a page from a school register was found near Bowie, 36 miles north.

"At Cedarville one dwelling, one store and four barns were wrecked and several other buildings were badly damaged. Several families were rendered homeless. The minimum estimate of damage was \$23,000. A mother and her three children were injured when their home collapsed. The clerk of the general store was drawn out through the



Near the water front in Miami the property was left in this general disarray. Buildings were blown from their foundations and twisted out of shape and debris was left scattered throughout the city. This was the most disastrous windstorm in the history of the United States Weather Bureau, the total damage being over \$100,000,000 and insurance loss approximately \$8,000,000.

door, carried across the road against a telegraph pole and then had his trousers torn from him. On a farm, a barn in which a horse and cow were eating was picked up and carried away, leaving the animals in their places uninjured."

Record Velocity

A BLOW of 140 miles an hour is a noteworthy storm. This wind velocity was almost reached in the Miami hurricane. It is the greatest wind velocity ever recorded by the United States Weather Bureau. In 1878 there was a storm in New Hampshire where 140 miles per hour was reported, but there were no automatic recorders at that time. In 1879 an actual velocity of 125 miles was recorded in North Carolina, in 1916 a velocity of 88 miles was recorded in Alabama, in 1921 a velocity of 91 miles was recorded in Washington and in 1916 a velocity of 114 miles recorded in Florida. Last year the Miami record was 132 miles per hour, after reductions were made for the necessary considerations, the actual figure reported being well over 140 miles per hour.

The Florida Hurricane

By **F. J. BREEN**
Assistant to President, National Union

ONE of the most severe wind storms in the history of the United States visited the Florida East Coast on Saturday, Sept. 18, 1926, covering an area 65 miles wide and working destruction to property valuing approximately \$165,000,000 and costing a number of lives.

From an insurance angle, the storm was unequalled and involved over 200 companies with a tornado liability of \$60,000,000 in round numbers, most of which had been assumed only a short period, and occasioning a loss of about \$8,000,000.

Adjustment Situation Was Difficult

As a storm of this vastness was unheard of in the southeast territory there was a lack of adjusters capable of handling losses of this character and it was necessary to call in specialists from the west and southwest where such catastrophes are more common. In addition, home offices evinced considerable interest in the effects of the storm and were represented by officials and others of the staff so that during the early stages of the adjustment work fully 175 to 200 insurance representatives in various capacities were on the ground—perhaps the greatest gathering of adjusters since the San Francisco earthquake in 1906.

In 1912, Frank Lock, then United States manager of the Atlas and chairman of the committee on adjustments of the National Board and well-known authority on the subject, submitted to the executive committee of that body a system for the handling of conflagration losses. This plan received the endorsement of the executive committee and had its first trial at Salem, Mass., in 1914. As usual, with actual experience, certain modifications in the system were necessary in order to expedite the handling of the detail in connection with large conflagrations but since that time the plan has been successfully utilized at a number of conflagrations, notably Augusta, Ga., Atlanta, Ga., Paris, Tex., and Astoria, Ore.

National Board Organization Used

Owing to the chaotic conditions prevailing on the Florida East Coast last fall, due mainly to the lull in the real estate market and prevalence of mort-



F. J. BREEN

particularly brings out some of the lessons drawn from it. It is of interest to discover that concrete blocks fared equally disastrously with light frame construction, and that a shingle roof proved far more wind-proof than a tile roof.

gages, it was deemed necessary to have some central organization through which all losses could be handled. While the National Board system was conceived for use at a conflagration it was decided to adapt it to the needs and accordingly the equipment was shipped to Miami and functioned with the usual good results.

At an organization meeting of the insurance men at Miami an Organization Committee was appointed, which committee in turn selected a committee to be known as the General Adjusting Committee. The last named committee was under the able guidance of E. P. Roberts, general manager of the Southern Adjustment Bureau, as chairman, and had general supervision over all adjustments, acting in an advisory capacity where disagreements and/or complications arose.

The outstanding event of 1926 insurancewise was the disastrous Miami hurricane which swept across Florida Sept. 18. This was of particular interest, not only because it was the greatest storm on the records of the Weather Bureau and the greatest loss on the records of the tornado insurance companies, but because of the adjustment details. It was the first time that the National Board adjustment organization had been pressed into duty for other than fire insurance loss work. The benefit derived from this organization was clearly manifested. F. J. Breen, assistant to the president of the National Union Fire, was at the time of the Miami hurricane with the National Board and in charge of the National Board adjustment organization in Florida. Mr. Breen here briefly sums up the adjustment work in connection with that loss and

All companies were requested to file a list of their liability by risks, which data was transferred to the cards used in connection with the National Board system, and when all the lists were filed and the information compiled the adjuster for the individual company was furnished with a duplicate card with all information thereon pertaining to the risk, including the names of other companies, if any, and the amount of their coverage. By this method of handling the losses duplicate insurance is revealed and double payments avoided. In addition the information is of vast assistance to the assured as well as the insurance interests.

Difficult Problems Arose in Florida

Due to the rapid development of the Florida East Coast the location of risks

was somewhat involved as property had been transferred so frequently home offices had not maintained equal pace with endorsements; assureds were located in all sections of the United States; street locations were indefinite; most risks were heavily mortgaged, in some instances having as many as three or four mortgages and in addition contractors' liens and a number of the larger risks were in the hands of receivers. All these complications had a tendency to slow up adjustments and up to the present writing a number have not yet been closed.

Many Lessons Brought Out by This Storm

This hurricane revealed the apparent lack of tornado coverage along the East Coast and would have been more noticeable if mortgagors had not insisted on the coverage. A storm at Palm Beach in July also tended to stimulate business, assisted by over-energetic salesmanship on the part of a number of local agents. The 50 percent coinsurance clause applied on all business and apparently the assured in most instances had never been apprised of this fact.

From a construction standpoint the storm revealed many interesting lessons. Concrete block and light frame construction were most subject to damage but the better types of buildings withstood the blow fairly well in most instances.

The oft condemned, from a fire standpoint, shingle roof withstood the wind best, in many places the roof so covered being intact after the storm. Built-up roofs were next in line and the so-called tile roof failed dismally.

Was Sixth Visit

The Miami hurricane last year was nothing new to that territory, as the windstorm insurance rate makers well know. This was the sixth tropical cyclone which has passed inland across Florida in 40 years. All of the Gulf states face an equal hazard. Heretofore, the storms have avoided the large cities, but the Miami disaster illustrated that it is entirely a matter of chance and that any city can get in the path of one of these storms.



Residents of Miami are not apt to soon forget the hurricane of last September, illustrated by the view of Ocean Drive at Miami Beach, shown above. Indeed, all Florida east coast residents and all the residents of the entire Gulf states district are now definitely sold on windstorm insurance, having had this lesson brought vividly before their eyes, they now see clearly that the only protection against property loss is in the insurance policy, which, though it cannot prevent the storm, can guarantee replacement of damaged or demolished property.



The house shown above is not being moved up the highway at the request of the owner, but was picked from its foundation and stuck upright in the middle of the road by the tornado which swept through Green Forest, Ark., in March of this year. To the left are the remains of an even more substantial building as indicated by the pile of concrete blocks. The frame house which was moved to the roadway was badly battered and wrenched as well as being far removed from its original foundation and represents a total loss. (Photo by Underwood & Underwood.)

ASK THE MAN WHO'S HAD ONE

ONE of the most effective sales arguments in any sales approach and particularly in the case of tornado insurance is the graphic illustration of the need for the policy. There are few who have gone through a tornado and are not now insured. Indeed, the famous advertising slogan of "Ask the Man Who Owns One" might well be revised to fit the kit of the tornado insurance salesman by reading, "Ask the Man Who Has Had One." If a hesitant prospect would do this, there could certainly be little further resistance to the purchase of the policy.

Actual experience has definitely shown this to be true in connection with tornado insurance. There are few sections that have been tornado stricken at any time during the immediate generation or even in the past generation which are not now quite thoroughly covered with this much-needed form of protection. To illustrate this in a concrete way, THE NATIONAL UNDERWRITER has asked one of the leading agents of some of the cities which have suffered disastrous tornadoes, to picture the present status of tornado insurance in their cities.

St. Louis Has Permanent Recollection of Storm

One of the most disastrous tornadoes in history swept through St. Louis in 1896. Even today, whenever there is a notable tornado, it is common not only in St. Louis, but throughout the country to make a comparison with the disastrous St. Louis loss. What is the status of this form of insurance in St. Louis today? George D. Markham, the prominent St. Louis local agent, has given the following striking testimony, illustrative of the slogan, "Ask the Man Who Has Had One."

"The best testimony I can give as to the practice of St. Louis regarding tornado insurance is a letter from the Mercantile Trust Company as to their requirements when they make loans. I am satisfied that other institutions lending money on buildings in St. Louis make the same report. As regards to property on which there is no mortgage, I would say that tornado insurance is practically universal in St. Louis. The letter from the Mercantile Trust Company is as follows:

Cites Bank's Testimony as to Tornado Insurance

"In all cases where this company is named as trustee of the mortgages securing properties located in the United States, we require that such properties be covered against loss from tornadoes and windstorms in an amount equivalent to at least 50 percent of the value of the property mortgage. The only exception we make to these requirements is in some cases of loans covering properties located in California, in which we have insisted upon earthquake coverage instead of tornado protection. Both the application for such loan as well as the mortgage securing the property contain a provision to the effect that the encumbered property is to be kept fully insured during the life of the loan for an amount equivalent to 50 percent of the value. This same requirement is imposed upon borrowers located in those territories which are not subject to heavy winds, even in those cases where the history of that particular locality fails to record the occurrence of any serious windstorm or tornado loss. It is the writer's understanding that practically all of the larger trust companies operating in a trustee capacity follow the same requirements in connection with tornado protection on properties mortgaged to their respective companies. My understanding is that this requirement became universally general following our tornado of 1896."

"This letter was written by J. A.

Noonan, assistant secretary of the Mercantile Trust Company.

"Inasmuch as the tornado insurance pays windstorm damage down to the blowing off of a shutter or the blowing down of a chimney, it is found serviceable by St. Louis insurers and will remain in demand, I think."

"Easter Tornado" of Omaha Is Recalled

Omaha, likewise, will not soon forget its disastrous storm of over a decade ago. The tornado of 1913, the famous Easter tornado, has been reflected in the insurance income of that city and neighboring country. This is commented on in a forceful way by Glen L. Cavanaugh, vice-president of the Morrison & Co. agency at Omaha, as follows:

"Tornado-wise Omaha is 'tornado-wise' and a lesson learned 14 years ago, or to be exact, on Easter Sunday of 1913, has been remembered. On that day Omaha was visited by a tornado of terrific violence which cut a swath through the city, leaving death and destruction in its wake. The physical damage has long since been repaired and the devastated areas entirely rebuilt so that for the past 10 years no trace of the storm has remained. It was estimated, at the time of the tornado, that not to exceed 10 percent of the properties in Omaha were protected with tornado coverage.

Increase of Tornado Policyholders Is Notable

"A number of Omaha agents, who have been interviewed, variously estimate tornado insurance at present as running between 50 and 75 percent and quite likely it is safe to say that 50 percent of Omaha properties are now

insured against loss or damage by tornadoes or windstorms. Old residents have not forgotten, nor will they ever forget the destruction caused. Newcomers quickly learn, if in fact they did not already know, about the catastrophe. Local agents, brokers and solicitors keep the matter fresh in their own minds and use it in their selling efforts.

"Practically every agent in Omaha still uses photographs of the destruction of 1913 and each year, through March and April, particularly, these are displayed in poster form or otherwise. The local newspapers, almost every year since that time have carried feature articles in their Easter Sunday supplements and moving picture houses, during Easter week, run the old films, taken in 1913, as supplemental to their regular features.

"Without a doubt the lesson of the 1913 storm has not been confined to the city of Omaha. Its influence on tornado insurance, in surrounding localities, is noticeable yet today even to the far corners of the Omaha trade territory. Field men traveling out of Omaha and especially those who were living in Omaha at the time of the tornado are themselves so thoroughly sold on the necessity of the coverage, their enthusiasm is impressively imparted to their agents and greater selling efforts have resulted.

"The general public, in the surrounding districts, more keenly realize the hazards and know more surely the certain destruction of a cyclone. Vivid word pictures have been painted for them by relatives and friends who were living in Omaha at the time of the tornado.

"Omaha citizens, in their travels about the country, can and do, when

the occasion permits, give eye-witness testimony that is most convincing. All these mediums have exerted their influence and left lasting impressions that are expressed in a more general interest in ample insurance protection.

"Undoubtedly a community that has once learned the destructive effects of a cyclone at first hand heeds the warning. Over how long a period they will remember and act, is a matter for speculation, but in 14 years Omaha property owners and those living in adjoining territories have not forgotten, nor is there any present indication that they will soon forget."

Fergus Falls Storm Changed the Outlook

And the story of tornado insurance is again told in an interesting way by a newspaper man and agent, H. M. Wheelock of Fergus Falls, Minn., local editor and local agent there, who pictures the change of heart in his community as a result of the disastrous storm of 1919. Mr. Wheelock says:

"For 29 years I tried to sell tornado insurance in Fergus Falls, Minn., from Jan. 1, 1890, to June 22, 1919. The last 15 of those years it was perfunctory work, because I had been hammered too much to be vital and earnest about it. I had heard this sort of thing:

"Go 'way, old man; I've got better uses for my money."

"Sheer nonsense, Harry; you know, or ought to know by this time, that we are not in the cyclone belt."

"Why don't you sell me insurance that I need?"

"At 5 p. m., June 22, 1919, a cyclone devastated Fergus Falls, smashing about \$5,000,000 worth of property and killing some 60 persons. I got home from Chicago June 24 to find my office full of special agents and adjusters, with the orders for tornado insurance stacked up in sheaves.

"Today there is scarcely a piece of property in Fergus Falls not insured against wind. It is almost as much a matter of course as the fire policies. Mortgagees require tornado insurance in every transaction.

"The same change has taken place in wind coverage on the farms. Most of them were unprotected till 1919. They are all wind-proof now.

Cites Case of One Hesitant Prospect

"One man, whose three farms I insured against fire, came in late in the fall of 1919 to readjust a policy. I said: 'Dan, we've had our lesson. Put wind insurance on, too.' He said: 'Well, I'll see. I guess we have had our tornado now.' I said: 'Dan, after what we had here last June you will be a plain, damn fool not to protect against the wind hazard.' He didn't take it.

"On June 10, 1920, my friend Dan came in. He said: 'You remember last fall you told me I'd be a plain, damn fool not to take tornado insurance?' I said, a little uneasy in mind (he glared so): 'Why, yes, I remember, but of course I was just trying to jolt you a little; sort of a Pickwickian sense, Dan.'

"Not at all," said he. 'I came in to tell you that you were right. I am. Just a plain, damn fool. Didn't you know that heavy wind, day before yesterday, ruined nearly all my buildings, out there on the flats?'

"I didn't, and told him so. He put \$16,000 and a summer's work into his new buildings—and I've got the wind insurance on them.

"You cannot persuade any person who lives in this neighborhood that tornado insurance is a foolish waste of money. Ninety percent here carry it."



This is one of the most striking tornado photographs ever taken. It shows the familiar funnel-shaped storm cloud approaching David City, Nebr. Though the path taken by storms of this nature may not be very wide and may not range over many miles in length, the damage done within the path may be appalling and these paths may occur with surprising frequency, both as to time and place. (Photo from Morrison & Co., Omaha)

Now! What is Your Prediction for 1927?

"WHO would dare," we asked in last year's Tornado Number, "to predict the 1926 Tornado loss?" Now with the final figures before you how does your guess, if you made one, compare with the astounding \$120,000,000 figure? On the basis of the last seven years' experience can you with any more certainty now predict what the 1927 result will be?

The graphic chart given below should help you effectively present this needed coverage to your clients. Ask them to predict the 1927 windstorm loss and then put this question to them—"How certain are you that your home will be among those unscathed by a 1927 windstorm or tornado?"

The agency for the Queen in your city might be open—why not write for it today?

QUEEN

Ins. Co. of America

INCORPORATED IN NEW YORK STATE 1891

Capital, \$3,000,000

HEAD OFFICE: 150 WILLIAM STREET, NEW YORK CITY

Western Dept.
F. P. Hamilton, Mgr.
CHICAGO

Southern Dept.
S. Y. Tupper, Mgr.
ATLANTA

Pacific Coast Dept.
H. R. Burke, Mgr.
SAN FRANCISCO

**FIRE, AUTOMOBILE, WINDSTORM, MARINE,
and SUBSIDIARY LINES**



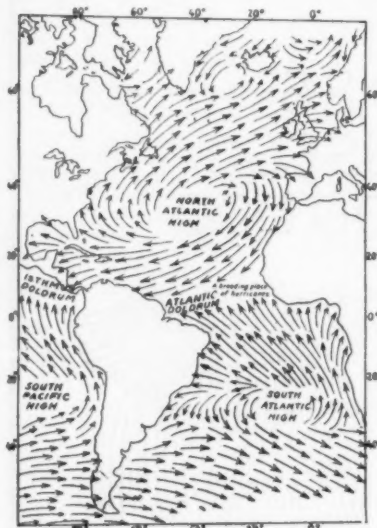
U. S. Weather Bureau

WHEN SOUTH WINDS BLOW

IF THERE still are to be found at any point in the United States prospects who contend that they are immune from windstorm damage, the agent could well afford to present a brief review of the recent reports of the hydrographic department of the United States Navy. These reports, compiled from the combined data of the hydrographic department and the United States Weather Bureau, give a comprehensive view of the windstorm situation in the United States, showing that there is no such thing as immunity, either as to time or place.

Analyzes Chief Sources of Cyclonic Bodies

Discussing the question of windstorms from the fundamental explanation of the formation of cyclones to the findings of the department as to distribution, a very striking picture of the entire question is given. This is of particular interest in view of the dis-



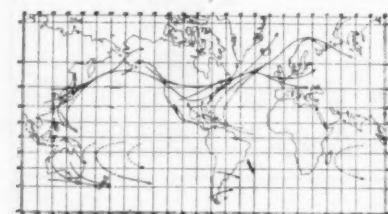
No. 1—Breeding Place of Hurricanes

astrous hurricane at Miami last year, that storm being but an intensification of the cyclones which are crossing and recrossing the country at all times.

The discussion of the origin of cyclones, that term not meaning a tornado or necessarily a disastrous windstorm, but rather a barometric "low," begins with consideration of the "air fields" of the earth. As seen in illustration No. 1 there are two notable "highs", one in the North Atlantic and one in the South Atlantic. The "highs" in the Pacific Ocean affect cyclonic disturbances originating in the Orient, and sweeping east across western and central United States, whereas the North Atlantic and South Atlantic "highs" are the ones which particularly affect eastern United States.

Air Falls from the "Highs" to the "Lows"

The "low" being along the equator, the air falls from the two highs to the low much the same as the fall of water. The motion of the earth gives a clockwise motion to the air in the North Atlantic and a counter clockwise mo-



No. 2—Storm Tracks of the World

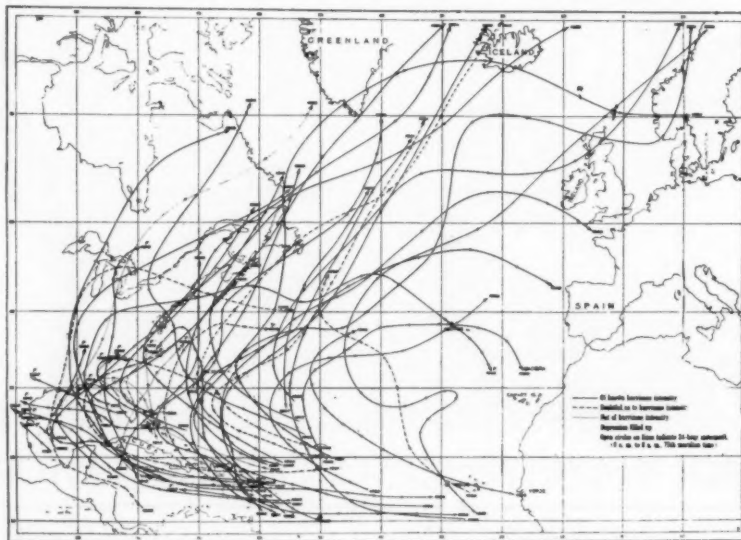
tion to the air in the South Atlantic. The two air movements merge not far from the equator and the addition of excessive moisture which originates in the doldrums near the Cape Verde Islands, add momentum to the wind. This is the origin of the tropical cyclone, an expansive body of air up to 300 miles in diameter on the average, moving forward and at the same time circulating about a calm vortex of seven to 20 miles in diameter. The cyclones start in a westerly direction, but the motions of the earth and counter wind movements give them a path which resembles a parabola. Thus the natural course of the cyclone, unaffected by other disturbances, would skirt the eastern coast of the United States.

Counter Movements Give Different Paths to Cyclones

As the cyclones approach the West Indies, however, there are counter air movements which divert the cyclones from that path and thus send them into all parts of Central and North America. Illustration No. 2 shows the general paths of the principal storm tracks of the world. The tropical cyclones originate in the doldrums, though there are other cyclones, called extra-tropical cyclones, which originate in other main portions of the earth, some resulting from local conditions in practically all sections. Illustration No. 3 shows the general path of the cyclone and illustrates the way in which the Miami hurricane approached from the Atlantic, though the illustration is of a storm which veered back to the ocean instead of crossing into the United States. The motion of the wind in the cyclone illustrates that during the first part of the storm the wind is usually from the north or east, followed by a brief period of calm and then a return of wind of an equal force from exactly the opposite direction than at first encountered.

No Section Is Immune from Windstorm

The fact that no section of the country is immune is readily shown in illustration No. 4. This shows only the cyclones originating in the doldrums and South Atlantic. In addition there are definite storm tracks originating in the Pacific which sweep across the northern part of the United States and definite storm tracks originating in the Isthmus doldrums west of Central America and sweeping into California and the southern part of the United States. The tropical cyclones here illustrated are only those which occurred in the first 15 days of September during



No. 4—Tracks of North Atlantic Cyclones

the years 1887 to 1925. There is little immunity as to time, West India hurricanes being reported from May to December, inclusive, January, February, March and April being the only months when these storms have not been reported. Some of the cyclones sweep across to the completion of the parabola and others stop suddenly, the depression of air being suddenly filled up by other masses which are met.

Tornadoes Add to Hazards of the Winds

These cyclones are not, of course, necessarily hurricanes and are in no cases tornadoes. The cyclone is merely the "low", the forward movement of a body of air which is moving around a central vortex. As seen in illustration No. 4, however, the abundance of cyclones of hurricane intensity is notable. The black line cyclones are hurricanes. They are cyclones with a wind velocity of disastrous proportions. Most of them, of course, lose their intensity upon going over land and increase their intensity upon leaving land, but in some cases the velocity is sustained sufficiently across the land path to remain of hurricane intensity. The fact that these severe cyclones do not include tornadoes is of even added importance. The tornadoes, of local origin and smaller bodies of air, are possible of creation practically everywhere, being merely dependent upon the formation or meeting of air pockets of unusual shape. This is sufficient to show that windstorm damage is of vital consideration and no one can claim immunity, as it requires only the encounter with another body of air or some unusual obstacle to change the course and force of the wind.

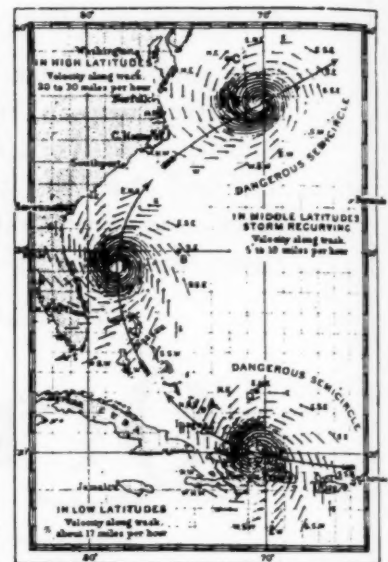
Are Developing Means of Charting Hurricanes

There is some interest in recent developments in the hydrographic department in connection with cyclones and hurricanes, the United States Navy approaching a degree of efficiency in reporting these storms, which promises actual forecasts as to their paths in the not far distant future. The Navy states that the erection of three staticgraph stations in the West Indies will enable them to chart the path of a hurricane and follow it to its termination, thus being able to forecast with a fair degree of accuracy the advance of the storm. Experiments have been made within the past year, notably during the Miami hurricane, which have gone far toward the development of this forecasting system. This will apply only to hurricanes and cyclones, of course,

and in no way enable the forecaster to gauge the path of a tornado.

Tornado Insurance Is Only Protection

The tornado is a freak creation of the wind and is apt to arise in any place, at any time, though this picture of the constant passing of cyclones is sufficient to illustrate the potential hazard to every community from windstorm damage of some form. The cyclone may at any time develop into a severe windstorm of sufficient intensity to do minor damage and even major damage. And these cyclones may combine or create freak air movements which may develop into tornadoes, with consequent disaster. Immunity is unknown. Damage cannot be prevented, but property loss can be avoided by insurance protection. Windstorm insurance is the only safeguard and it is a guarantee of solvency regardless of the "blow". That it is needed in every hamlet or



No. 3—Characteristic Cyclone Path

metropolis can clearly be seen by either a reference to these charts of cyclone tracks or a glance at the list of storms of the past 75 years. No place is immune and at no time is unprotected property safe. And every banker in the country will vouch for this, as demonstrated by their requirements for those seeking loans. Equally as important as fire insurance is the tornado coverage and the banker knows this as no one else does.

Season Opens Early

THE season for serious tornadoes was opened auspiciously this year with a disastrous series of tornadoes through the south on the night of March 18. Arkansas, Oklahoma, Missouri, and Tennessee were swept by a series of disastrous tornadoes, accompanied by hailstorms, which did considerable property and crop damage. At least 30 persons were killed and 75 injured in these storms and the property damage has been variously estimated at from \$300,000 to \$500,000. The most serious damage was done in the vicinity of Green Forest, Ark., other tornadoes sweeping southwest and central Arkansas, one northwestern border county and several towns beyond the Missouri state line. Other damage was also done in several Tennessee towns and in Oklahoma. At the same time a number of severe hailstorms swept through Texas, resulting in severe damage to early crops.



Are you prepared to meet a catastrophe?

TORNADO INSURANCE is a catastrophe cover on catastrophes. Catastrophes of this kind occur every year. No one can afford to place insurance against catastrophes in a company that has not sufficient resources to meet obligations on such propositions.

NORWICH UNION FIRE INSURANCE SOCIETY, LTD.
THE EAGLE FIRE COMPANY OF NEW YORK
75 MAIDEN LANE
NEW YORK

TORNADO INSURANCE STATISTICS

FIVE YEAR COMPARISON OF PREMIUMS, LOSSES AND LOSS RATIOS OF COMPANIES WRITING TORNADO, CYCLONE AND WINDSTORM INSURANCE

	1926			1925			1924			1923			1922		
	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio
Aetna	1,722,200	1,323,027	.77	1,741,765	460,350	.26	1,347,093	487,549	.36	1,238,042	563,846	.45	1,033,125	448,184	.44
Agricultural	194,435	87,900	.45	164,229	36,522	.22	135,277	46,871	.34	115,000	30,817	.27	87,208	14,777	.17
Albany	13,451	4,089	.31	11,099	1,442	.13	9,665	3,511	.36	8,724	630	.07	3,071	102	.03
Allemania	85,573	65,133	.76	74,064	7,958	.11	37,590	8,569	.23	19,106	3,859	.20	12,885	853	.07
Alliance, Pa.	162,423	111,860	.69	146,152	30,134	.21	97,552	26,800	.28	83,177	13,967	.17	36,718	4,369	.12
Alpha General							-11,898	3,345	..	23,426	3,945	.17	12,588	1,040	.08
American F. & M.	3,578	340	.10	863	3	..									
American, N. J.	1,122,743	278,222	.25	1,209,842	408,954	.34	779,389	433,957	.56	805,031	227,042	.28	622,655	249,451	.40
American and Foreign	736						21,574	9,944	.46	20,073	4,160	.20	20,106	3,176	.16
American, N. Y.							31,542	15,118	.48	40,006	11,869	.30	20,528	10,437	.51
American Alliance	33,243	31,620	.95	31,061	14,102	.45	31,542	15,118	.48	40,006	11,869	.30	20,528	10,437	.51
American Central	332,407	147,440	.44	347,032	139,712	.40	221,209	94,551	.43	202,308	46,915	.23	167,648	35,385	.21
American Eagle	100,133	93,712	.93	324,634	102,583	.32	221,740	106,575	.48	231,277	85,327	.37	204,452	44,815	.22
American Founders	1,618														
American Equitable	63,603	102,460	1.61	44,159	2,840	.06	6,850	420	.06	3,639	480	.13	5,079	6,570	1.16
American National	7,897	1,095	.14	6,087	1,313	.22	6,123	5,240	.86	1,996	5,455	.28	13,556	2,771	.20
American Union	10,342	1,864	.18	10,343	1,864	.18	16,399	8,919	.54	8,576	3,463	.39	19,547	12,632	.65
American Reserve	54,312	43,617	.80												
Atlas	148,632	75,948	.50	136,695	42,275	.31	102,957	45,708	.45	143,340	30,189	.21	102,332	36,746	.36
Atwood				1,419			683			2,810			26		
Automobile	96,253	104,326	1.08	183,237	135,279	.74	382,230	162,288	.42	268,571	35,076	.13	118,646	47,536	.40
Baltica	27,541	14,422	.52	45,806	11,268	.25	27,409	17,461	.63	29,571	7,263	.24	27,328	2,491	.09
Bankers, N. C.	1,613														
Baltimore American	32,048	21,788	.68	19,734	3,442	.17	7,295	1,000	.14	1,690	443	.26	659	541	.82
Bankers & Merchants	20,433	6,879	.34	21,906	3,820	.17	21,775	12,121	.47	31,013	5,610	.18	19,705	104	.53
Bankers & Shippers	57,807	72,950	1.26	55,830	50,059	.90	30,517	39,338	.97	44,612	8,034	.18	30,453	2,668	.09
Boston	203,929	34,301	.17	195,524	63,784	.33	166,091	48,813	.29	131,293	32,614	.25	87,070	40,489	.46
British American	63,500	50,628	.80	66,405	9,632	.15	59,802	5,414	.09	24,595	3,104	.13	12,713	943	.07
Birmingham, Ala.	5,728	500	.09	1,002											
Buffalo	52,233	10,310	.20	48,873	9,883	.20	44,513	10,538	.24	28,021	4,396	.16	16,744	2,968	.18
Caledonian	60,324	18,536	.30	61,956	46,971	.76	37,606	13,764	.37	40,063	7,884	.20	21,627	4,053	.19
Caledonian American	10,324	3,073	.30	6,822	2,138	.31	5,434	1,693	.31	4,311	636	.15	2,631	27	.10
California	50,203	6,732	.13	45,763	9,503	.21	34,442	10,477	.30	26,820	2,308	.09	18,516	9,380	.50
Camden	344,101	130,758	.38	335,474	104,485	.31	269,115	67,556	.25	233,549	25,022	.11	92,115	31,660	.34
Capital, N. H.					1,363	..	2,151	1,016	.47	7,387	434	.06	1,020	83	.08
Central Federal, Ia.					7,756	..									
Central, Md.	14,717	4,299	.29	13,339	5,606	.42	11,392	3,475	.30	8,159	2,762	.34	5,021	2,342	.47
Central States										10,747	134	.07	7,983	6,929	.88
Century, N. Y.	11,774	13,141	1.12												
Chicago F. & M.	54,250	14,459	.28	71,336	24,765	.35	46,641	13,320	.35	30,817	4,905	.16	21,022	1,080	.05
Christiana General	84,012	117,176	1.39	49,224	9,774	.20	28,889	14,573	.50	51,777	22,420	.43	41,105	21,731	.53
City, Pa.	3,642	740	.20	-1,018	743	..	6,054	2,400	.28	2,046	1,401	.20	3,292	764	.23
City of New York	87,075	148,041	1.70	64,679	34,031	.53	58,395	10,391	.18	38,501	4,794	.12	36,030	17,334	.47
Citizens, Mo.	35,637	16,228	.46	34,229	13,429	.39	23,630	11,688	.49	25,238	1,564	.06	37,597	9,407	.25
Columbia, N. J.	34,829	20,763	.60	27,101	7,020	.26	22,760	8,837	.39	20,508	4,721	.23	14,211	1,647	.12
Columbia, O.	17,284	11,434	.66	12,575	184	.01	4,309	228	.05	2,103	145	..			
Columbian National	49,784	6,258	.13	47,331	10,646	.22	32,317	9,959	.31	1,440	6,941	..	41,374	5,142	.12
Columbus, Miss.	2,453	309	.13												
Commerce, N. Y.	30,882	4,824	.16												
Commercial Union, Eng.	373,813	117,288	.31	307,584	190,154	.62	262,847	255,295	.97	311,253	109,060	.35	240,080	61,267	.25
Commercial Union, N. Y.	71,078	45,482	.63	76,441	22,649	.30	49,252	49,582	1.01	46,910	18,336	.39	43,760	7,612	.17
Commercial Stand., Tex.	4,539	648	.14												
Commonwealth	133,352	64,771	.49	119,583	60,103	.50	81,458	15,644	.19	69,510	13,172	.19	52,446	24,544	.47
Commonwealth, Kan.				881											
Concordia	177,189	244,223	1.38	192,849	54,216	.28	133,335	49,708	.37	117,363	33,478	.28	107,456	24,884	.23
Connecticut	436,144	209,184	.48	190,439	208,255	1.09	554,113	392,639	.71	591,447	255,662	.43	529,145	209,668	.40
Consolidated				21,772	16,329	.75	10,577	2,288	.22	15,264	2,236	.15	12,560	912	.07
Continental	1,334,092	517,596	.39	1,622,819	530,914	.33	1,097,018	557,357	.51	1,153,407	502,976	.44	909,998	343,832	.38
County, N. H.	20,632	2,058	.10	20,884	2,300	.11	14,277	2,610	.18	10,144	861	.08	8,214	244	.03
Cuban National				-1,363	49	..	2,482	318	.13	586	1,363	.23	3,670	1,553	.42
Detroit F. & M.	74,436	23,325	.31	59,511	6,912	.12	31,522	4,767	.15	26,838	2,278	.08	19,476	1,711	.09
Detroit National	6,730	345	.05	6,259	811	.13	3,429	639	.19	1,540	194	.13	1,005	216	.21
Dixie Fire	52,971	48,762	.92	19,300	3,626	.19	11,737	2,177	.18	11,599	3,344	.29	13,199		
Delaware	16,211	23,325	1.43	11,023	476	.04									
Dubuque F. & M.	112,467	8,487	.08	114,111	47,344	.41	77,074	24,431	.31	67,686	12,849	.19	56,172	11,003	.20
Eagle, N. Y.	19,778	12,031	.61	18,300	1,699	.09	12,638	487	.04	3,465					
Eagle, N. J.	37,636	21,465	.57	51,531	8,669	.17	13,232	12,251	.92	20,454	7,064	.35	13,362	2,577	.19
Eagle, Star & B. D.	72,112	44,892	.62	54,899	9,802	.18	30,328	17,379	.48	76,221	15,745	.20	68,480	13,550	.20
East & West	37,805	3,122	.08	33,584	6,689	.20	23,592	10,010	.42	7,105	61	.01			
Employers, Mass.	21,565	7,478	.35	20,599	3,386	.16									

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The BANK SAVINGS LIFE INSURANCE COMPANY
Topeka, Kansas

(CONTINUED FROM PAGE 42)

1926			1925			1924			1923			1922		
Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio
Home F. & M.	72,944	1.43	57,945	18,974	.33	39,646	17,188	.43	34,525	8,285	.24	23,677	14,919	.63
Home, Ark.	123,594	.32	96,500	32,415	.34	70,784	28,262	.40	116,421	12,183	.11	61,436	3,329	.05
Home, N. Y.	2,343,199	.35	2,210,890	1,112,247	.50	1,888,071	1,157,011	.61	1,999,622	964,035	.48	1,577,405	622,848	.39
Hudson	99,571	.50	101,861	35,927	.35	67,396	2,030	.16	59,457	14,918	.25	37,834	12,464	.34
Illinois	21,220	.05	17,855	3,228	.18	12,585	2,030	.16	8,924	517	.06	3,604	495	.14
Imperial	31,167	1.38	34,695	5,722	.16	8,075	10,384	1.30	47,027	6,936	.15	20,853	4,130	.20
Importers & Exporters	30,429	.42	34,288	8,838	.26	54,598	16,458	.28	16,097	2,971	.18	18,438	4,689	.25
Independence, Pa.	13,836	.95												
Indiana	8,441	.19												
Industrial, O.	16,495	.14												
Ins. Co. of N. A.	808,192	.41	916,376	345,636	.38	768,732	447,942	.58	805,888	268,986	.33	857,474	215,322	.25
Ins. Co. State of Pa.	77,273	.39	74,319	44,817	.60	49,564	26,202	.53	74,379	21,216	.28	67,020	14,821	.22
International, N. Y.	109,910	.94	125,404	31,718	.25	109,409	26,922	.25	71,835	25,631	.36	63,163	20,281	.32
Inter-Ocean Reins.	280,198	.17	84,810	38,284	.45	78,655	23,674	.30	129,543	12,189	.09	13,070	2,737	.21
Inter-State, Mich.			1,071	17		830	811	.97	1,290	805	.62	1,506	2,225	.14
Iowa Fire	24,747	.08	29,373	12,557	.43	24,473	9,500	.39	24,742	1,453	.06	22,664	2,774	.12
Iowa National	40,805	.05	46,226	10,802	.23	34,945	11,650	.33	41,116	2,504	.06	35,345	5,061	.14
Iroquois, Ill.	2,528	.07	2,751	490	.18	1,269	500	.39	1,297	—57				
Jupiter General	473		9,937	4,522	.46	20,156	631	.03						
Knickerbocker			30,996	1,766	.06	4,750	200	.04	106	281		4,283	5,998	1.40
La Fayette	4,868	.63	3,322	400	.12	4,779	494	.10	7,961	835	.11	5,005	32	.01
La Salle	6,748	.62	4,871	29		—667	266		3,290	93	.03	53	10	.20
Law, Union & Rock	53,041	.84	44,687	11,231	.25	28,638	4,716	.16	25,045	4,839	.19	9,931	1,627	.16
Liberty, Mo.														
L. & L. & G.	508,751	.97	493,452	186,167	.38	417,500	258,034	.62	466,051	191,380	.41	352,943	127,777	.36
London & Lancashire	152,979	.56	143,624	19,738	.14	106,857	25,961	.24	104,166	26,731	.25	78,208	14,053	.18
London & Provincial	13,898		9,416	4,846	.51	5,149	552	.11	5,663	963	.17	2,375	143	.06
London & Scottish	22,476	1.77	16,774	2,518	.15	13,371	990	.73	11,025	1,095	.10	6,107	549	.09
London Assurance	81,947	.29	95,181	32,355	.33	62,657	16,295	.26	56,983	12,369	.22	36,307	6,328	.17
Lumbermen's, Pa.	32,737	.60												
Manhattan F. & M.	11,008	.03	10,865	797	.07	909								
Marquette National			5,048	1,857	.37	35,919	6,028	.17	33,998	5,722	.17	1,566	5,150	.33
Massachusetts F. & M.	8,148	1.42	8,618	704	.08	4,450	191	.04	2,674	127	.05	1,880	77	.04
McAllister Underwriters						11,405	231	.02	7,755	1,318	.17	5,984	24	.01
Mechanics, Pa.	104,085	.42	69,576	14,986	.21	47,043	11,327	.24	34,713	4,545	.13	25,651	2,342	.09
Mechanics & Traders	71,023	.31	75,153	12,607	.17	46,394	22,762	.49	40,860	8,385	.18	42,762	10,865	.24
Mercantile, N. Y.	123,539	.20	129,553	19,280	.15	87,098	23,634	.27	71,203	15,353	.22	53,245	8,403	.16
Mercants, Colo.	17,004	.22	19,852	1,383	.07	11,225	3,667	.33	7,621	408	.05	5,790	596	.12
Mercants, R. I.	26,414	.98												
Mercants, N. Y.	117,469	.40	95,158	15,574	.16	42,524	15,306	.36	54,422	8,814	.16	36,720	10,011	.27
Mercants Nat., N. D.	3,986	.10												
Mercury, Minn.	32,436	2.03	11,892	4,584	.37									
Metropolitan-Hibernia			—7,159	14,209		9,212	1,998	.23	5,825	273	.05	3,528	20	.01
Metropolitan National	14,858	.32				13,382	1,434	.11	9,099	1,352	.15	8,537	2,029	.24
Millers National	65,477	.09	72,695	11,335	.16	40,616	18,367	.45	42,302	16,497	.39	32,093	20,744	.63
Michigan F. & M.	51,595	1.14	48,334	27,934	.58	39,311	6,992	.18	33,047	6,409	.19	23,130	4,721	.20
Milwaukee Mechanics	275,838	.82	292,438	122,774	.42	206,383	67,204	.34	191,948	24,337	.13	150,838	30,198	.20
Mississippi	12,951	.57	16,693	8,608	.52	41,170	32,587	.79	41,382	43,289	1.05			
Minneapolis F. & M.	74,098	.24	87,177	36,816	.42	62,831	53,331	.85	70,155	1,886	.03	27,485	21,737	.79
Minnesota	8,935	.09	6,044	1,332	.22	7,395	1,887	.25	3,298	466	.14			
National, Conn.	1,352,001	.25	1,462,003	665,992	.46	1,077,600	653,264	.61	1,118,134	385,021	.35	998,264	367,059	.37
National American	55,744	.13	59,111	18,028	.30	43,733	25,075	.57	39,742	5,001	.13	33,160	6,018	.18
National-Ben Franklin	114,312	.34	109,630	12,338	.11	75,887	11,565	.15	60,588	11,222	.19	20,215	4,649	.23
National Liberty	374,939	.40	375,472	108,599	.29	291,208	74,895	.26	228,341	44,867	.19	175,186	36,727	.21
National Reserve	46,391	.04	45,661	8,406	.07	21,276	3,993	.19	16,476	585	.04	8,355	413	.05
National Security	42,508	.12	43,107	19,360	.45	32,056	9,776	.30	32,289	2,264	.07	22,776	1,425	.06
National Union	472,835	.34	530,257	208,936	.39	221,228	153,085	.69	273,392	175,775	.64	273,392	87,848	.32
Netherlands	29,788	.32	25,107	5,267	.21	18,798	4,596	.24	12,439	4,648	.37	8,974	4,332	.48
New Brunswick	38,796	.70	35,352	4,966	.14	29,264	5,110	.25	24,697	2,647	.11	16,836	901	.05
New England	—9,061		7,978	4,271	.54	7,004	3,772	.54	9,888	2,666	.27	5,069	809	.16
New Hampshire	111,295	.22	109,500	92,320	.84	97,504	29,804	.30	87,844	20,831	.24	69,727	15,854	.23
New India	12,157	2.53	24,320	4,573	.19	24,768	5,857	.24	33,832	4,545	.13	36,052	1,092	.03

(CONTINUED ON PAGE 50)

“AND THEY LIVED HAPPILY EVER AFTER”

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HAIL RIDER SHOULD BE ON ALL TORNADO POLICIES

ONE of the most important and at the same time most overlooked phases of tornado insurance is the hazard of concurrent hail damage. While it has always been known that hail frequently accompanies tornadoes and violent windstorms, this has been forcibly brought out in recent years by the adjustment departments. Some very notable cases have arisen where the adjusters, going into a field after a tornado or violent windstorm, encountered extensive hail damage, in some cases even more disastrous than that caused by the wind itself.

Lack of Hail Cover Caused Much Confusion

The great difficulty encountered in the past by the adjusters has been the fact that practically none of the policyholders were insured against the hail hazard. The farmers usually protected their crops against hail damage and their property against tornado damage, but the combination of hail and tornado damage was not seemingly considered in connection with the property. Actually, many of the hail storms did more property damage than the wind which preceded or accompanied the storm. This can readily be seen when it is considered what a bombardment of 22-ounce hailstones would do. Such hailstones are larger than the average, of course, but even the smaller pellets of ice can do considerable damage to roofs, windows and even the siding of property. The relationship of hail damage to tornado adjustment was most clearly brought out two years ago when the Galesburg, Ill., storm presented an unfortunate situation for all concerned. In that storm the hail damage was almost as extensive as the wind damage. Property holders with few exceptions were unprotected against the hail damage. Adjusters, following the contracts under adjustment, could consider only the wind damage. The property owners were somewhat incensed and put the responsibility for their underinsurance or lack of insurance on the agent. Thus it is in the agent's own interest to adequately protect the property owners who are his clients by adding the hail rider to the tornado policy.

This is very easily handled today. In the past it was a difficult problem to adequately protect the property owner against hail damage. Today, however, the companies have drawn up a simple rider with a very simple rate sched-

ule and the application of this rider gives a fairly true approach to adequate protection. Some agents have even gone so far as to include this rider on all tornado policies, whether requested

or not, for they have come to realize that they are the ones held responsible in the event of a storm where the property is found unprotected. The companies would be glad to see this rider extended to all risks, as it would remove adjustment difficulties and improve the relations between the companies and the policyholders in the case of adjustment.

There can be little objection raised to

the addition of this rider, for it gives adequate protection at a ridiculously small cost. In the case of farm business the rate is only 10 cents per \$100 for one year, 20 cents for three years and 30 cents for five years. Thus under the five-year policy the property owner can secure complete protection against the hail hazard for 6 cents per \$100 valuation. That is the rate which applies to farm business. In the cities, an even lower rate is in force, so that for about \$5 complete hail protection can be secured on property of about \$10,000.

This Is Not an Imaginary Hazard

This hazard is not an imaginary one, conjured by the agent to add to his premium income, but is an actual one which reference to loss statistics and Weather Bureau reports will clearly bring out. As a matter of fact the additional premium is so small that it would not be worth the agent's while to canvass for it of itself, though it is decidedly worth his while to make a campaign for complete coverage in this connection, as a matter of service to his clients and self-protection of good will. The Weather Bureau reports show the extent to which this hazard is encountered. There were some 274 "severe hail storms" reported in 1926, practically every state in the country being included in this report and these including only the extensive, serious storms reported by the Weather Bureau. There were 51 storms which resulted in a property damage of over \$50,000. The reports on these storms enumerate all manner of losses, some reporting roofs riddled as by machine-gun fire and other extensive property damage.

An Inexpensive Safeguard to Policyholder

The combination of wind and hail has in many cases resulted in widespread damage to property and the separation of the two factors, wind and hail, is difficult if not impossible in many cases. Thus the addition of this inexpensive rider is not only a safeguard to the policyholder, protecting him from clearcut hail damage as well as the border line cases, but it is also a safeguard to the companies, assuring them of greater ease in adjustment work. As tornado insurance is growing in popularity and many sections are finding the bankers insisting on tornado protection as definitely as they formerly demanded fire insurance protection, the riders should be placed on every tornado policy written.

The Ten Premium Leaders

	1926		1925	
	Premiums	Losses	Premiums	Losses
Hartford	\$3,366,179	\$1,134,625	\$3,572,752	\$1,147,090
Home (N. Y.)	2,343,199	823,545	2,210,890	1,112,247
Aetna	1,722,200	1,323,027	1,741,765	460,350
National (Conn.)	1,352,601	336,926	1,462,003	665,992
Continental	1,334,092	517,596	1,622,819	530,914
Fidelity-Phenix	1,193,404	391,578	1,298,536	442,285
American (N. J.)	1,122,743	278,222	1,209,842	408,954
St. Paul F. & M.	805,654	176,751	955,253	464,298
Springfield	854,581	156,906	861,554	272,497
North America	808,192	333,970	916,376	345,636

THE tornado insurance business experienced an unusual year in 1926, premium readjustments and unusual loss conditions combining to make one of the most unsatisfactory seasons in the history of the business. The curtailment of lines on the part of a good many of the companies resulted in only a minor increase in premiums, scarcely enough to consider. The premiums on this class of business remained practically stationary. In a good many individual cases there were very marked reductions in premiums. The companies have been revamping their lines, particularly in the farm departments, and the net result in many cases has been a reduction in business for the year. This has resulted in quite a campaign for business in the sources where the companies seek to develop it.

ON the other hand the loss total mounted last year, though the loss ratio was not as unsatisfactory as that reported two years previous. The loss ratio in 1926 was 47 percent, compared with 36 percent in 1925 and 49 percent in 1924. Each of these three years, however, has suffered a disastrous tornado or windstorm which has added to the bulk of average losses and the loss ratios of the previous years were with few exceptions near 30 percent. Last year's losses were appreciably increased by the Miami hurricane, which resulted in very nearly \$8,000,000 in loss payments in that one case. The other tornado losses were minor, the most im-

portant of which occurred in a series of Thanksgiving tornadoes which swept through the south Nov. 25-26, of last year. Had it not been for a reduction in the ordinary run of tornado losses, the Miami losses added to the total would have resulted in a disastrous year.

A STUDY of the individual company records is of interest in connection with the loss ratio, as it shows that in most cases the large premium writers showed comparatively small loss ratios, while the small premium writers more frequently showed disastrous loss ratios. This is a natural result, of course, of the effect of the spread of business, one storm proving disastrous to the writer of small premiums in any localized district.

The individual records also showed some readjustments in position last year, although the group of 10 leaders is the same. The Hartford is still the leading company, the total after making a slight reduction during the year, being \$3,366,179. The Home of New York showed a slight increase in premiums, the total last year being \$2,343,199. The other 10 leaders and their 1926 totals are: Aetna, \$1,722,200; National of Hartford, \$1,352,601; Continental, \$1,334,092; Fidelity-Phenix, \$1,193,404; American of Newark, \$1,122,743; St. Paul Fire & Marine, \$1,055,664; Springfield Fire & Marine, \$854,581; North America, \$808,192.



The disastrous series of tornadoes which struck across Missouri and Arkansas in March of this year did widespread damage, estimated at over \$500,000. This pile of brick and mortar was a new two-story brick schoolhouse at Green Forest, Ark., which was the hardest hit. All of the children escaped before the building collapsed, but the property values were a total loss, the building being leveled to the ground. (P. & A. Photo.)



New Jersey is not on the list of the immune tornado lines, as illustrated by this damage incurred at Manasquin, N. J., last July. The 100-mile gale which swept the New Jersey coast on July 24 picked up this garage and carried it, car and all, 20 feet. The windstorm also demolished many buildings at other points. Those who have personally seen such windstorm damage are easily sold insurance. (P. & A. Photo.)

Why Do I Read an Insurance Paper?

Because It Means Money to Me to Know

- "What is going on in the business—
- "When a new company starts in business—what its prospects are—who is behind it—who is managing it. I may have need of another company—my customers may want to know about it—
- "When a company gets into trouble—so that I can protect myself and my clients—
- "When a company opens a new department to write some special line—I may have a line of that kind to place—there may be a big field in my town for that kind of business—

And Then—My Pocketbook

"It is important to me to keep posted on the relationship between the companies and agents, whether it be the separation movement, commission problems, reduction of expenses or what not. I am interested in the American Agency System and its being maintained properly and the factors that tend to hurt this system and affect my pocketbook. I want to know what is going on.

I Want to Know

- "What agents in other towns are doing. They are working out my problems—their work will help me; give me new ideas.
- "What the National and State Associations are doing. Whether or not I am a member, the work being done is of vital interest to me, and I want to keep in touch.
- "What laws are being passed which affect my business. I know a few people in my town, and I want to be in a position to use what influence I have, intelligently.
- "There are hundreds of questions coming up that I, as an intelligent, up-to-date, live insurance man ought to know about. It makes me a better insurance man. Knowledge of my business gives people confidence in me, and you can bet that people are glad to give their business to a man who KNOWS HIS BUSINESS.

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SOME HAIL INSURANCE ADJUSTMENT PROBLEMS (CONTINUED FROM PAGE 29)

the neighborhood. There is danger however, in delaying such adjustments too long for adverse weather conditions may follow that will later ruin the crop and the adjuster will be asked to assume liability for the entire damage.

Some Exceptions to Rule on Young Plants

Flax, on the other hand, is very brittle when first emerging from the ground and if broken off will die. To make matters worse for the adjuster these small plants soon wither and disappear and the only evidence left is a thin stand of the flax crop. Perhaps the seed used had poor germination qualities and the crop was thin before the hail struck it. You will have to be governed by other evidence and if possible see a field outside of the hail area sown from the same seed. As the flax plant grows older, it gains in hardihood until it becomes the toughest of all field crops. These are cases where your best judgment will have a chance to operate and even then you will err many times. If you did not have to contend with any damage except hail, your work would be comparatively easy but unfortunately grain crops have many other enemies and upon their identification and elimination rests your success as an adjuster.

Much Trouble Encountered With Pests in Field

Grasshoppers have always been an evil to contend with as they crawl up on the stalk of wheat or rye and chew a few bites out of the side of the stalk, thereby weakening it until a later wind will cause it to break at that point. If you will examine the break closely, you can see the ragged edges where the hopper has been gnawing. An oats crop presents greater difficulty for the hopper will nip off the fine thread on which the kernel is hung, leaving no evidence except where it probably gnawed elsewhere on the stalk. The same is true of the flax except that the outer part of the flax stalk seems to be a favorite food for the hopper and will show the evidence of gnawing.

The wheat stem maggot hatches from an egg laid in the stalk usually above the top joint. It soon leaves its home but not until it has damaged the stalk on the inside to such an extent that the plant dies above the joint and the head turns white. It is very seldom that you can find the worm but by splitting the stem, you can find the discoloration caused by the worm while it lived there.

Corn Borer Damage Is Easily Confused

The European corn borer does its damage to the corn plant in such a manner that it may easily be confused with hail damage. The moth usually lays its eggs in the latter part of June or the first part of July on the underside of the corn leaves. These eggs hatch in about two weeks and the resulting worms immediately begin to feed on the larger leaf veins and in the stems of the corn plant. They continue to feed in the interior of the stalk until the latter part of September.

The removal of the interior of the corn stalk by the worm interferes with the circulation of the sap to such an extent that the plant will not develop normally and will be easily broken by wind. The worm will also feed in the stem of the ear and the ear itself to such an extent that the ear will rot.

At a first glance a badly infected field of corn will resemble a field damaged by hail as the stalks will be broken and if this form of damage should be accompanied by an appreciable amount of hail, the assured may think that it was the injury to the stalks and the ears by the hail that caused the stalks to break and the ears to rot for it is common for corn stalks to be broken by hail and ears badly battered by hail when subject to wet weather conditions will rot. For this reason, a careful examination should be made by the ad-

juster. He should split the stalk and ear open and search for the worm, which, when full grown, is about an inch long and of a grayish or pinkish color. If he fails to find the worm, the evidence of it having been there should be plain as a large portion of the pith will be removed and the inside of the stalk will be more or less discolored.

In addition to feeding on the corn crop, the corn borer will also feed on barley, cotton, millet and the sorghums and in heavily infested areas it will attack a multitude of other crops.

Many Forms to Be Looked for in All Fields

The Hessian Fly does its damage in the stalk within a few inches of the surface of the ground. Small brown bodies, resembling flax seeds, can sometimes be found embedded in the stalk where the insect lived for a time and where the stem will be broken. Unless the hailstones were very large, the stalks would never be broken so close to the ground and if the hail was so destructive, there would be plenty of other evidence.

Rodents and rabbits do a great deal of damage to grain by biting the stalk in two. By examining the severed end

of the stalk, you will find that the cut is always at a slant and is comparatively smooth and clean cut. A hail storm would have to be severe indeed to cut a stalk off and would leave much additional damage. These animals will usually leave paths through the grain which will help you to identify them.

Rust One of the Greatest Loss Factors

Diseases of grain add to the troubles of the adjuster and the chief amongst these is the rust. Rust has added many thousand dollars to the companies losses, first, because it weakens the stalk to such an extent that it is much more easily damaged by hail, and also because rust damage is of such character that it has been many times confused with hail. This disease in its worst form attacks the stalk of the grain and even the head. The black spores eat through the stalk until it is in such a weakened condition that a heavy rain or wind with a little hail will break it and you may well be puzzled to determine what part of the damage to allow. If the breaks are irregular and are found low down on the stalk, it is reasonable to assume that it is not hail. Black rust many times develops a weakness in the joint and an

entire field will be found with stalks bent over at the joint. This clearly is not hail damage as the stalk is strong-est at the joint when not diseased.

Root rot affects wheat by so injuring a plant that it will shrivel up and die prematurely. In these cases, it will be found that all the stalks coming from one kernel will be affected while surrounding plants will be healthy. This will eliminate hail as the cause, as a hailstone could not damage a group of from five to fifteen stalks coming from a single seed.

There are two varieties of smut, known as the sticking smut and the loose smut. The damage caused by loose smut, especially, is often blamed to hail, for the head will be stripped and have the appearance of having been struck several heavy blows. It will always be possible to find some black spores remaining on the blasted head which will eliminate the hail claim.

Flax Has Several Diseases of Its Own

Flax wilt will cause the flax plants to wilt and dry up while still standing. This disease will be found most prevalent where there is plenty of moisture and should not be confused with hail as the stalks are not broken. Flax canker is a fungus disease that attacks the plant near the surface of the ground. Scars are formed constricting the growth of the stalk. This weakness will cause the plant to break near the surface of the ground during a wind. Real hail damage to flax will cause the bolls to be broken off as well as many of the branches and even the entire stalk. Therefore whenever the damage is confined to stalks broken at the surface of the ground, you should look closely for the cause.

Of all climatic enemies to grain crops, wind probably is the worst. Wind will often damage a crop in a manner very similar to hail, the outstanding difference being that the stalks will be broken lower down on the plant than from hail and the field will have a whipped appearance. A close examination of the break will reveal that the break is not even and abrupt but irregular in appearance and the straw will often be split lengthwise near the break.

Too much moisture will sometimes cause the crop to lodge or to lean excessively without being broken. A dry spell of weather will often correct this trouble, although it is true that it will sustain more hail damage while in this leaning position than if it stood erect. Drought too is an aid to hail damage if excessive as it will so retard the growth and weaken the plant that it will fall easy victim to a small amount of hail.

Other Atmospheric Troubles Encountered

Claims are sometimes made for purported hailstorms where the top spikelets of the wheat heads have turned white. This usually is caused by a few excessively hot days and should not be difficult to identify as the hailstones could not strike only the tips of the wheat heads.

Either frost or excessive rains may cause a rye blossom to fail to fertilize inasmuch as the pollen of one blossom must be conveyed to another blossom to produce a kernel, rye differing from wheat, oats and flax in that respect. The pollen may be washed away by rain or killed by frost, and in that case there will be blank spaces on the rye head where kernels should be. The assured often believes the kernels have been knocked out by a hailstone but a close examination will reveal that the glumes or chaff surrounding the place where the kernels should be are undisturbed, thereby dispelling the claim that the kernels have been hammered out.

In identifying and eliminating the damage caused by insects, diseases and climatic conditions and narrowing the settlement down to hail damage, you will find your vocation interesting with ample exercise for your wits and with no occasion to grow stale.

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BRIEFLY enumerated on this page are points of interest regarding the Franklin Opportunity. The Company offers stability; the advantages of rapid growth; open territory where an ambitious representative may expand to the limit of his ability; and policies that stand on an equal footing with the best that are issued by any company.

The Franklin is a thoroughly seasoned company. It has made itself known as a sound and conservative financial organization. Its directors and principal officers have served the Company for more than a quarter of a century, and have consistently builded for permanence.

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Old enough to be soundly established, and yet young enough to afford its field men the valuable advantage of "growing up with the Company." The Franklin is enabled to offer an opportunity that may satisfy the demands of the most exacting ambition.

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Non-Participating.

\$191,560,326.00 of Insurance
in Force.

Organized July 23, 1884.

Conservative Financial Management.

Aggressive Agency Expansion.

Operates in

Alabama	Mississippi
Colorado	Missouri
Florida	Nebraska
Georgia	Ohio
Illinois	Oklahoma
Indiana	Pennsylvania
Iowa	Tennessee
Kansas	Texas
Michigan	Wisconsin
Minnesota	

Trebled in size in the last
ten years.

Agents' Contracts

Liberal first year commissions.

Liberal renewal commissions.

Full commissions on rated up substandard Premiums (extra mortality rating basis).

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Agency Clubs and Annual Conventions.

Full Instructions.

Home Office Supervision.

Agency Publication.

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Liberal Sub-Standard Department.

Non-Medical Applications up to \$3000.

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Graded Benefits—Level Premiums.

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Corporation Insurance.

Renewable and Exchangeable Term Policies.

Annuities and Pension Policies.

Educational Endowments.

Endorsement makes them payable as insured desires.

Policies issued Ages 1 to 65.

Special cases at higher ages.

Insurance for women at same rates as for men.

Financial Standing

COMPARATIVE TABLES

Insurance in Force	January 1	Legal Reserve
\$ 55,158,919.00	1917	\$ 6,420,661.00
62,336,698.00	1918	7,142,499.00
70,586,248.00	1919	8,031,238.00
92,109,284.00	1920	9,142,826.00
120,754,072.00	1921	10,399,839.00
130,004,110.00	1922	11,689,468.00
135,155,185.00	1923	12,962,573.00
150,137,940.00	1924	14,423,458.00
160,393,555.00	1925	15,877,401.00
175,489,299.00	1926	17,630,911.00
191,560,326.00	1927	19,969,730.00

Admitted Assets	January 1	Capital Surplus and Special Funds
\$ 7,852,643.06	1917	\$ 1,194,567.20
8,671,320.91	1918	1,262,234.98
9,574,532.72	1919	1,194,016.18
10,688,859.82	1920	1,150,804.39
11,936,280.19	1921	1,080,198.24
13,263,529.36	1922	1,073,267.41
14,622,735.14	1923	1,080,522.47
16,198,597.91	1924	1,120,886.84
17,654,891.20	1925	1,125,137.40
19,541,951.43	1926	1,128,023.97
21,688,990.62	1927	1,178,064.16

Paid to Policyholders and Beneficiaries since organization, \$27,806,934.95.

Policy Refinements

Income Disability.

An optional provision for an income of \$10.00 per month for each \$1000 of the policy in event of total and permanent disability. (90 day clause.)

Waiver of Premium Disability.

An optional provision whereby further premiums are waived in event of total and permanent disability of the insured. (90 day clause.)

Double Indemnity.

An optional provision under which the Company pays double the amount of the policy in event of death by accident.

Interest Paid from Date of Death to Settlement of Claim. (Present rate 5%.)

"Excess Interest."

The Franklin guarantees 3 1/4% interest on "Income Settlements" or other settlement funds remaining in the Company's hands after policy maturity. In addition to 3 1/4% interest on such funds, the Company also pays "Excess Interest." In 1927 this excess is 1 1/4%, making a total interest of 5% on such funds.

Premiums payable Annually, Semi-Annually,

Quarterly, or Monthly. Not necessary to send policy to the Company when changing from one mode to another.

Low Guaranteed Premiums.

Contingent Beneficiaries.

Settlement Options to suit Insured or Beneficiary.

(CONTINUED FROM PAGE 44)

	1926			1925			1924			1923			1922		
	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio
New Jersey	48,858	57,202	1.17	41,751	16,447	.39	33,337	24,237	.73	33,967	7,458	.22	24,006	.....	.....
New Zealand	—0,000	1,661	..	8,705	859	.10	8,715	1,860	.21	5,007	723	.13	3,400	.....	.....
New York State	7,442	23,291	3.13	10,268	3,225	.31	4,481	71	.01	10,487	1,386	.13	5,660	.....	.....
Newark	93,805	8,843	.09	83,559	11,529	.14	64,159	26,860	.42	54,754	10,493	.19	35,787	12,215	.34
Niagara	400,804	207,770	.51	400,595	141,007	.35	207,972	111,239	.55	258,554	79,220	.31	183,301	55,775	.30
Nippon	8,109	5,772	.71	6,029	63	.01	—4,638	3,487	..	13,483	2,812	.21	7,405	101	.01
Nordisk Reinsurance .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	10,388	3,415	.33	7,982	2,389	.30
North American National .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	8,008	3,498	.41	3,036	444	.15
North British & Mercantile	324,404	143,602	.44	322,104	95,499	.30	231,781	122,017	.53	225,076	67,672	.30	171,453	47,489	.28
North Carolina Home	10,459	11,845	1.13	8,345	545	.07	4,352	143	.08	2,739	580	.21	2,140	206	.10
North River	297,171	157,469	.53	327,045	90,217	..	214,401	100,354	.47	201,069	57,763	.29	182,000	48,635	.27
Northern, N. Y.	114,005	85,544	.75	93,154	11,551	.12	—2,502	6	..	18,015	1,602	.09	12,148	857	.07
Northern, Eng.	215,292	85,700	.40	104,148	92,115	.47	106,847	118,367	.71	108,004	61,264	.31	150,907	42,972	.28
Northern, Russia .....	.....	.....	.....	.....	.....	.....	—2,502	5	..	3,309	672	.20	.....	125	..
North Star	60,750	78,669	1.29	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Northwestern National	248,486	39,104	.19	289,746	131,707	.45	229,929	92,547	.40	251,834	46,872	.19	213,054	62,161	.29
Northwestern F. & M.	207,347	38,673	.19	253,481	129,898	.51	43,120	21,510	.50	176,483	93,262	.53	37,597	9,407	.25
Norwich Union	117,301	80,912	.69	134,376	35,301	.26	108,240	62,049	.57	118,005	33,717	.28	70,826	25,940	.37
Old Bay State .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,453	1,304	..	4,176	561	.13
Old Colony	50,008	12,969	.22	58,382	14,553	.25	44,433	8,875	.20	35,530	8,683	.24	22,833	9,066	.40
Ohio Farmers	172,404	55,426	.32	159,733	120,548	.75	114,099	104,579	.91	100,006	174,482	.92	209,032	140,640	.68
Old Dominion, Va.	325	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Omaha Liberty .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	16,076	7,106	.44	1,722	5,559	..
Orient	159,150	34,172	.21	160,536	21,995	.14	114,121	50,313	.44	104,156	18,934	.19	81,158	11,500	.14
Osaka M. & F.	4,421	19,371	4.38	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Pacific	65,063	39,006	.59	43,806	21,687	.49	39,803	33,310	.84	54,024	15,560	.29	33,438	.....	.....
Palatine	136,776	37,401	.27	134,978	60,355	.45	95,408	95,004	.99	115,273	51,531	.45	84,914	37,457	.44
Palmetto	2,151	750	.34	4,912	510	.07	19,301	8,760	.45	17,634	8,247	.47	8,371	2,370	.28
Patunelle .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	16,890	6,673	.40	9,382	7,050	.75
Patriotic	38,779	16,038	.41	35,992	3,860	.11	20,270	6,044	.30	23,954	2,231	.09	17,478	1,659	.09
Pennsylvania	217,920	56,725	.26	228,542	59,383	.26	160,782	85,041	.54	162,022	39,191	.24	127,017	51,305	.40
Peoples, Me.	222	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Peoples National	27,418	21,783	.79	20,535	.....	.....	.....	.....	.....	15,062	1,180	.08	9,730	402	.04
Philadelphia F. & M.	100,800	33,061	.20	167,391	55,979	.33	31,720	12,870	.40	.....	.....	.....	.....	.....	.....
Phoenix, Conn.	722,753	346,646	.48	994,170	322,317	.32	495,039	272,884	.55	587,915	104,581	.18	370,623	80,508	.21
Phoenix, Eng.	158,247	130,206	.82	155,333	30,713	.20	99,884	38,494	.39	127,937	24,610	.19	82,280	13,972	.17
Pilot, N. C.	8,543	648	.08	8,518	769	.09	4,178	106	.02	3,092	439	.14	2,998	8	..
Pilot Reins., N. Y.	36,328	27,864	.77	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Potomac	37,477	842	.22	13,497	206	.01	13,203	1,064	.08	5,975	346	.05	.....	.....	.....
Preferred Risk	34,526	1,853	.05	17,993	1,426	.08	5,599	3,750	.67	7,419	3,626	.49	9,744	4,706	.48
Presidential F. & M.	8,184	650	.08	11,621	520	.04	5,556	.....	.....	.....	.....	.....	.....	.....	.....
Provident, N. Y.	5,425	17,826	3.28	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Providence Washington	129,614	54,856	.42	146,890	40,184	.27	114,528	27,731	.24	114,342	20,816	.18	76,317	19,200	.25
Prudential Re. & Co.	137,710	119,534	.87	104,750	16,504	.16	80,328	18,508	.23	50,236	10,416	.21	31,711	30,573	.96
Prudential, Eng.	41,321	66,543	1.37	24,304	4,629	.19	13,862	5,143	.43	19,826	3,937	.20	.....	.....	.....
Queen	290,468	54,607	.19	306,036	137,190	.45	258,248	92,446	.36	257,270	80,205	.31	217,591	27,000	.12
Queen City	44,004	9,837	.22	73,324	22,456	.31	34,065	68,098	1.95	70,502	35,764	.51	35,037	12,145	.35
Reinsurance Salamandra	101,780	112,811	1.11	73,324	22,456	.31	64,358	23,768	.37	2,875	81	.04	352	85	.09
Reliable, O.	1,916	144	.08	1,693	353	.21	1,111	459	.41	2,572	81	.04	352	85	.09
Reliance, Pa.	31,904	16,512	.52	39,362	22,267	.57	25,527	2,411	.09	8,107	1,287	.16	3,039	2,820	.92
Republic, Pa.	33,970	30,843	.91	31,621	14,367	.45	27,813	2,824	.10	15,005	1,515	.10	8,037	576	.07
Republic, Tex.	99,845	35,538	.35	78,550	16,713	.21	60,252	8,476	.14	62,075	10,582	.17	.....	.....	.....
Retailers, Okla.	19,449	70,230	3.61	15,127	1,218	.08	13,280	2,406	.18	11,228	1,902	.17	9,543	1,555	.16
Rhode Island	102,675	40,811	.40	106,074	26,914	.25	72,874	23,184	.32	68,180	13,521	.20	44,954	20,011	.45
Richmond, N. Y.	27,088	24,241	.88	31,770	11,072	.35	38,104	10,081	.26	27,118	9,711	.36	30,120	9,162	.30
Rocky Mountain	5,631	1,782	.32	7,436	1,019	.14	6,554	360	.05	2,485	515	.20	101	1,206	..
Rossia	218,208	220,825	1.01	202,610	60,469	.30	160,139	45,953	.28	121,082	30,358	.25	91,877	28,736	.31
Royal	457,870	237,074	.52	657,758	173,199	.26	616,173	408,420	.65	548,853	175,729	.32	451,074	123,359	.27
Royal Exchange	88,886	33,869	.38	78,782	9,875	.13	56,542	16,964	.30	60,623	15,647	.26	54,283	8,060	.15
Safeguard	28,010	16,645	.59	35,591	3,651	.10	19,100	9,861	.52	17,517	4,009	.23	12,575	1,831	.15
Safety First, Ill.	708	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Savannah	6,919	5,004	.72	7,753	551	.08	1,206	2,372	1.98	4,585	639	.14	4,703	86	.01
Scottish Union & National	145,364	41,411	.28	140,757	38,864	.28	100,228	33,123	.30	98,428	23,092	.24	81,018	17,631	.22
Seaboard, Md.	710	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Second Russian .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Security, Conn.	327,956	119,269	.36	336,209	160,650	.48	206,587	149,406	.72	205,991	95,569	.37	221,970	66,984	.30
Security, Ia.	76,373	7,308	.10	95,978	24,470	.25	72,065	28,116	.39	73,582	7,280	.11	65,756	10,864	.17
Sentinel, Mass. ....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Skandia	35,632	21,217	.60	36,625	4,120	.11	16,090	9,874	.65	17,005	3,822	.22	12,124	130	.06
Skandinavien	6,973	1,686	.24	18,000	4,413	.22	35,022	11,582	.34	28,800	17,582	.61	29,830	22,137	.74
South British	—8,871	6,361	..	8,596	856	.10	8,711	1,860	.21	5,671	723	.13	3,476	182	.06
South Carolina	3,671	1,828	.50	2,982	364	.12	5,455	1,019	.19	2,140	1,304	.61	6,047	3,257	.54
Southern, N. C.	1,218	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Southern Home	20,884	21,315	1.02	26,912	1,990	.07	13,588	4,228	.31	9,509	863	.09	1,339	.....	.....
Springfield F. & M.	854,581	156,906	.18	861,554	272,497	.32	647,849	312,545	.48	719,403	303,740	.42	605,651	228,942	.38
St. Paul F. & M.	905,654	176,751	.19	955,253	464,298	.49	652,396	586,626	.90	677,161	239,597	.35	527,169	219,098	.42
Standard, Conn.	38,929	22,010	.57	41,403	10,163	.25	25,038	9,227	.37	21,576	3,937	.18	12,810	2,132	.17
Standard Amer., Ill.	15,126	1,559	.10	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Standard, N. Y.	31,196	1,779	.01	30,650	2,864	.09	17,451	3,097	.18	10,162	682	.07	.....	.....	.....
Standard, N. J.	12,180	4,935	.41	8,017	1,188	.14	5,548	.....	.....	24,771	300	.01	.....	.....	.....
Star, N. Y.	94,933	92,314	.97	105,691	33,723	.32	80,107	28,898	.36	74,117	15,322	.21	50,095	11,997	.24
State, England	43,953	41,211	.94	33,731	4,431	.13									

GLOBE & RUTGERS

FIRE INSURANCE COMPANY

111 William St., New York City

January 1st, 1927

ASSETS

Bonds & Mortgages	\$ 149,425.00
U. S. Liberty Bonds.....	518,200.00
Government, City, Railroad and other Bonds & Stocks..	59,564,972.90
Cash in Banks and Office.....	2,434,964.77
Premiums in Course of Collec- tion	8,827,461.77
Interest Accrued	111,020.32
Reinsurance Recoverable on Paid Losses	134,952.12

\$71,740,996.88

LIABILITIES

Capital	\$ 3,500,000.00
Surplus	25,610,575.98
Reinsurance Reserve	21,162,599.90
Losses in Course of Adjust- ment	8,362,821.00
Commissions and other Items.	7,100,000.00
Reserve for Taxes	1,005,000.00
Reserve for Depreciation	5,000,000.00

\$71,740,996.88

Surplus to Policy Holders - \$29,110,575.98

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Progress since Consolidation in 1899

	ASSETS	RESERVE	SURPLUS
Dec. 31, 1899	\$529,282.59	\$28,832.54	\$2,028.94
Dec. 31, 1910	5,255,362.12	1,936,224.86	2,365,363.37
Dec. 31, 1920	42,765,374.55	16,593,764.16	11,361,311.89
Dec. 31, 1925	67,922,096.58	20,265,572.73	24,161,943.85
Dec. 31, 1926	71,740,996.88	21,162,599.90	25,610,575.98

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E. C. Jameson, *President*
Lyman Candee, *Vice President*
W. H. Paulison, *Vice President*
J. H. Mulvehill, *Vice President and Secretary*
J. D. Lester, *Vice President*

W. L. Lindsay, *Secretary*
A. H. Witthohn, *Secretary*
A. G. Cassin, *Assistant Secretary*
J. L. Hahn, *Assistant Secretary*
W. J. Volkmann, *Local Secretary*

Great American Insurance Company New York

Cash
Capital **\$12,500,000**

This great company offers *unusual facilities*
and *service* to its agents who write

HAIL

Inquiries addressed to any of the Hail Department offices or to the Chicago office of the company will bring *information worth while.*

BLACK and ARMSTRONG, *Canadian Hail Managers*
REGINA WINNIPEG CALGARY

BRANCH OFFICES:

Oklahoma and Texas
415 Equity Bldg.,
Oklahoma City, Okla.

Kansas
701 Jackson St.,
Topeka, Kansas

Colorado, Wyoming and New Mexico
508 Patterson Bldg.,
Denver, Colo.

Nebraska
Brandeis Theatre Bldg.,
Omaha, Nebr.

South Dakota and Minnesota
813 National Bldg.,
Minneapolis, Minn.

North Dakota and Montana
507 1st Natl. Bank Bldg.
Fargo, North Dakota

STATES OF

Iowa Missouri Illinois Ohio Indiana Michigan Wisconsin

REPORT TO

WESTERN DEPARTMENT

310 S. Michigan Ave., Straus Bldg. - Chicago, Illinois

JOHN PETERSON, Mgr. Hail Dept.

C. R. STREET, Vice President

GEORGE B. SEDGWICK, Asst. Secy.